

BEFORE THE ARIZONA CORPORATION COMMISSION RECEIVED

COMMISSIONERS

2015 SEP 15 P 4: 27

SUSAN BITTER SMITH, Chairman

BOB STUMP

BOB BURNS

TOM FORESE

DOUG LITTLE

ORIGINAL

AZ CORP COMMISSIO DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF EPCOT WATER ARIZON, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES FOR UTILITY SERVICE ITS MOHAVE WATER DISTRICT, PARADISE VALLEY WATER DISTRICT, SUN CITY WATER DISTRICT, TUBAC WATER DISTRICT, AND MOHAVE WASTEWATER DISTRICT.

DOCKET NO. WS-01303A-14-0010

DECISION NO. 75268

NOTICE OF COMPLIANCE FILING

In compliance with Decision No. 75268, issued on September 8, 2014, EPCOR Water Arizona Inc. ("Company") hereby files the Tariffs and Rules & Regulations for its Mohave Water District, Paradise Valley Water District, Sun City Water District, Tubac Water District and Mohave Wastewater district as a compliance item in this docket. Decision No. 75268 ordered new rates for the above mentioned districts effective September 1, 2015.

Respectfully submitted on September 15, 2015.

Sandy Murrey

EPCOR Water Arizona Inc.

2355 W. Pinnacle Peak Road, Suite 300

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Phoenix, AZ 85027

Arizona Corporation Commission DOCKETED

SEP 1 5 2015

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1	Original and 13 copies filed
2	on September 15, 2015, with:
3	•
4	Docket Control
5	Arizona Corporation Commission
6	1200 West Washington Street
2 3 4 5 6 7 8	Phoenix, Arizona 85007
8	
9	Copies of the foregoing emailed
10	on September 15, 2015 to:
11	-
12	Brian K. Bozzo
13	Compliance and Enforcement Manager
14	Utilities Division
15	1200 West Washington Street
16	Phoenix, AZ 85007

ORDER

IT IS THEREFORE ORDERED that EPCOR Water Arizona, Inc. is hereby authorized and directed to file with the Commission, on or before September 15, 2015, the schedules of rates and charges set forth below, which shall become effective for all service rendered on or after September 1, 2015.

MOHAVE WATER DISTRICT

MONTHLY USAGE CHARGE:	
5/8" x 3/4" Meter-Residential Low Income	\$ 8.77
5/8" x 3/4" Meter	14.61
¾" Meter	16.88
3/4" Meter – Apartment	16.88
1" Meter*	36.53
1 ½" Meter	73.05
2" Meter	116.88
3" Meter	233.76
4" Meter	365.25
6" Meter	730.50
8" Meter	1,168.80
10" Meter	1,680.15
12" Meter	3,141.15
BHC Veterans Memorial	14.61
Fire 2"	6.08
Fire 4"	12.16
Fire 6"	18.24
Fire 8"	24.32
Fire 10"	30.40
Private Hydrant	14.98
Public Hydrant	14.98
Public Sprinkler Head	0.89
-	
COMMODITY RATES-PER 1,000	
GALLONS:	
5/8 x 3/4" & 3/4" Meter (Residential)*	
First 3,000 Gallons	\$1.41
From 3,001 to 10,000 Gallons	2.37
Over 10,000 Gallons	3.24
5/8 x 3/4" & 3/4" Meter (Com. & Ind.)	
First 3,000 Gallons	\$1.41
From 3,001 to 10,000 Gallons	2.37
Over 10,000 Gallons	3.24

Mohave Wastewater Tariff

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Off-site Facilities Hook-up Fee (cont.)
Original – 3b

Mohave Wastewater District

(Name of Service Area)

GENERAL WASTEWATER SERVICE

Availability

Available to all customers in service area but Company reserves the right to restrict service to those customers using water service of Company or affiliated company.

Terms and Conditions

All rates in this Schedule shall be subject to their proportionate part of any taxes or other governmental imposts which are assessed directly or indirectly on the basis of revenues derived from service under this Schedule, or on the basis of the service provided or the volume of sewage treated or disposed of.

Sewer services under this schedule are for the exclusive use of the customer and sewer services shall not be resold or provided to others.

A 11/2% late payment penalty will be applied to account balances not paid within twenty-five (25) days after the postmark date of the bill in accordance with A.A.C. Rule 14-2-608 (F).

Schedule of Charges

Phase 1 (Effective September 1, 2015 through August 31, 2016)

MONTHLY USAGE CHARGE (FLAT FEE PER MONTH):

Residential (Per ERU)	\$63.84
Commercial (Per ERÚ)	63.84
Public Authority (Per ERU)	63.84
Large Commercial	82.29

COMMODITY CHARGE (PER THOUSAND GALLONS)

Residential	\$ -
Commercial	-
Public Authority	-
Large Commercial	2.57

EFFLUENT (PER ACRE FOOT):

0 TO 24	\$227.79
25 TO 99	227.79
100 TO 199	227.79
200 and Above	227.79

Schedule of Charges (continued)

ISSUED:

September 15, 2015 Month Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Wastewater District

(Name of Service Area)

Phase 2 (Effective September 1, 2016 through August 31, 2017)

MONTHLY USAGE CHARGE (FLAT FEE PER	<u>R MONTH):</u>
Residential (Per ERU)	\$71.07
Commercial (Per ERÚ)	71.07
Public Authority (Per ERU)	71.07
Large Commercial	91.61

COMMODITY CHARGE (PER THOUSAND GALLONS)	
Residential	\$ -
Commercial	-
Public Authority	-
Large Commercial	2.87
•	

EFFLUENT (PER ACRE FOOT):	
0 TO 24	\$227.79
25 TO 99	227.79
100 TO 199	227.79
200 and Above	227.79

Phase 3 (Effective September 1, 2017 and beyond)

MONTHLY USAGE CHARGE (FLAT FEE PER	<u>MONTH):</u>
Residential (Per ERU)	\$78.53
Commercial (Per ERU)	78.53
Public Authority (Per ERU)	78.53
Large Commercial	101.23

COMMODITY CHARGE (PER THOUSAND GALLONS)		
Residential	\$ -	
Commercial	-	
Public Authority	-	
Large Commercial	3.17	7

EFFLUENT (PER ACRE FOOT):	
0 TO 24	\$227.79
25 TO 99	227.79
100 TO 199	227.79
200 and Above	227.79

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE:

September 1, 2015 Month Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

SERVICE CHARGES

This District is authorized to charge the following Service Charges:

Service Establishment, Reestablishment, Reconnection, and Miscellaneous Charges

Establishment or Re-establishment of Service	\$35.00
Reconnection of Service (Delinquent)	\$35.00
Deposit	(a)
Deposit Interest	(a)
NSF Check	\$25.00
Deferred Payment (per month)	1.5%
Late Payment Fee (per month)	1.5%
After hour service charge (b)	\$35.00

- Per Commission rule R-14-2-603.B. (a)
- (b) After Hours Service: After regular working hours, on Saturday, Sunday or holidays if at the customer's request.

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, use and franchise tax. Per commission Rule 14-2-609(D)(5).

SERVICE LINE CONNECTION CHARGES (NON-REFUNDABLE)

Cost Cost Cost Cost Cost
Cost

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE:

September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. 75268

OFF-SITE FACILITIES HOOK-UP FEE

Purpose and Applicability I.

The purpose of the off-site facilities hook-up fees payable to EPCOR Water Arizona, Inc. – Mohave Wastewater District ("the Company") pursuant to this tariff is to equitably apportion the costs of constructing additional off-site facilities to provide wastewater treatment plant facilities among all new service laterals. These charges are applicable to all new service laterals established after the effective date of this tariff. The charges are one-time charges and are payable as a condition to Company's establishment of service, as more particularly provided below.

II. **Definitions**

Unless the context otherwise requires, the definitions set forth in R-14-2-601 of the Arizona Corporation Commission's ("Commission") rules and regulations governing sewer utilities shall apply interpreting this tariff schedule.

"Applicant" means any party entering into an agreement with Company for the installation of wastewater facilities to serve new service laterals, and may include Developers and/or Builders of new residential subdivisions.

"Company" means EPCOR Water Arizona, Inc. – Mohave Wastewater District.

"Collection Main Extension Agreement" means any agreement whereby an Applicant, Developer and/or Builder agrees to advance the costs of the installation of wastewater facilities to the Company to serve new service laterals, or install wastewater facilities to serve new service laterals and transfer ownership of such wastewater facilities to the Company, which agreement does not require the approval of the Commission pursuant to A.A.C. R-14-2-606, and shall have the same meaning as "Wastewater Facilities Agreement".

"Off-site Facilities" means the wastewater treatment plant, sludge disposal facilities, effluent disposal facilities and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include lift stations, transportation mains and related appurtenances necessary for proper operation if these facilities are not for the exclusive use of the applicant and benefit the entire wastewater system.

"Service Lateral" means and includes all service laterals for single-family residential or other uses.

(Continued on next page)

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OFF-SITE FACILITIES HOOK-UP FEE (continued)

III. Off-Site Facilities Hook-up Fee

For each new service lateral, the Company shall collect an off-site facilities hook-up fee as listed in the following table:

TREATMENT PLANT HOOK-UP FEE TARIFF TABLE		
Service Lateral Size	Factor	Total Fee
4-inch	1	\$ 785 *
6-inch	2	\$1,570
8-inch	3 ½	\$2,748

^{*}Established per Decision No. 69440.

IV. **Terms and Conditions**

- Assessment of One Time Off-Site Facilities Hook-up Fee: The off-site facilities hook-up fee may be assessed (A) only once per parcel, service lateral, or lot within a subdivision (similar to a service lateral installation charge).
- (B) Use of Off-Site Facilities Hook-up Fee: Off-site facilities hook-up fees may only be used to pay for capital items of off-site facilities, or for repayment of loans obtained for installation of off-site facilities. Off-site hook-up fees shall not be used for repairs, maintenance, or operational purposes.

(C) Time of Payment:

- (1) In the event that the person or entity that will be constructing improvements ("Applicant", "Developer" or "Builder") is otherwise required to enter into a Collection Main Extension Agreement, payment of the fees required hereunder shall be made by the Applicant, Developer or Builder when operational acceptance is issued for the onsite wastewater facilities constructed to serve the improvement.
- (2) In the event that the Applicant, Developer or Builder for service is not required to enter into a Collection Main Extension Agreement, the charges hereunder shall be due and payable at the time wastewater service is requested for the property.

(Continued on next page)

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OFF-SITE FACILITIES HOOK-UP FEE (continued)

- (D) Off-Site Facilities Construction By Developer: Company and Applicant, Developer, or Builder may agree to construction of off-site facilities necessary to serve a particular development by Applicant, Developer or Builder, which facilities are then conveyed to Company. In that event, Company shall credit the total cost of such off-site facilities as an offset to off-site hook-up fees due under this Tariff. If the total cost of the off-site facilities constructed by Applicant, Developer or Builder and conveyed to Company is less than the applicable off-site hook-up fees under this Tariff, Applicant, Developer or Builder shall pay the remaining amount of off-site hook-up fees owed hereunder. If the total cost of the off-site facilities contributed by Applicant, Developer or Builder and conveyed to Company is more than the applicable off-site hook-up fees under this Tariff, Applicant, Developer or Builder shall be refunded the difference upon acceptance by the Company (of the off-site facilities).
- (E) <u>Failure to Pay Charges; Delinquent Payments</u>: The Company will not be obligated to provide wastewater service to any Developer, Builder or other applicant for service in the event that the Developer, Builder or other applicant for service has not paid in full all charges hereunder. Under no circumstances will the Company connect service or otherwise allow service to be established if the entire amount of any payment has not been paid.
- (F) Off-Site Hook-Up Fees Non-refundable: The amounts collected by the Company pursuant to the off-site facilities hook-up fee tariff shall be non-refundable contributions in aid of construction.
- (G) <u>Use of Off-Site Hook-Up Fees Received</u>: All funds collected by the Company as off-site facilities hook-up fees s hall be deposited into a separate interest bearing trust account and used solely for the purposes of paying for the c osts of off-site facilities, including repayment of loans obtained for the installation of off-site facilities.
- (H) Off-Site Facilities Hook-up Fee in Addition to On-site Facilities: The off-site facilities hook-up fee shall be in addition to any costs associated with the construction of on-site facilities under a Collection Main Extension Agreement.
- (I) <u>Disposition of Excess Funds</u>: After all necessary and desirable off-site facilities are constructed utilizing funds collected pursuant to the off-site facilities hook-up fees, or if the off-site facilities hook-up fee has been terminated by order of the Arizona Corporation Commission, any funds remaining in the trust shall be refunded. The manner of the refund shall be determined by the Commission at the time a refund becomes necessary.
- Status Reporting Requirements to the Commission: The Company shall submit a calendar year Off-Site Facilities Hook-Up Fee status report each January 31st to Docket Control for the prior twelve (12) month period, beginning January 31, 2009, until the hook-up fee tariff is no longer in effect. This status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each has paid, the amount of money spent from the account, the amount of interest earned on the tariff account, and a list of all facilities that have been installed with the tariff funds during the 12 month period.

ISSUED:

September 15, 2015

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Month Day Year Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Wastewater Rules and Regulations

RULES AND REGULATIONS APPLICABLE TO SEWER SERVICE OF **MOHAVE WASTEWATER DISTRICT**

Legally named and operating in:
Bullhead City and Mohave County, Arizona
These rules and regulations have been authorized by the Arizona Corporation Commission and are the effective rules and regulations of this District.
Services will be furnished in accordance with these rules and regulations and no officer, employee, or representative of this Company has any authority to write, alter, or amend these rules and regulations or any parts thereof in any respect.

ISSUED:

September 15, 2015

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PRELIMINARY STATEMENT

Mohave Wastewater District (the "District") of EPCOR Water Arizona Inc. (the "Company") is engaged in the business of supplying sewer service in the County or Counties previously mentioned.

These Rules and Regulations are designed to govern the collection and treatment of sewage in such a manner as will secure to each customer the greatest practical latitude in the utilization of service, consistent with good service to himself and other customers, and with safety to all the public and the Company's employees.

These Rules and Regulations are on file with the Arizona Corporation Commission of the State of Arizona, and copies are available at all Company offices. They are a part of every contract for service and govern all classes of service, except where specific provisions in contracts or schedules modify them. All prior rules, customs or alleged understandings are hereby rescinded. These rules and regulations are available for review by any customer, at any office of the Company.

Rates for sewer service or other services rendered are those on file with the Arizona Corporation Commission and are available at the offices of the Company providing sewer service.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 1 DEFINITIONS

For the purpose of these rules and regulations, unless the context otherwise requires, the following definitions shall apply:

- 1. Advance in Aid of Construction: Funds provided to the Company by the applicant under the terms of a collection main extension agreement, the value of which may be refundable.
 - 2. Applicant: A person or agency requesting the Company to supply sewer service.
- 3. Application: A request to the Company for sewer service, as distinguished from an inquiry as to the availability or charges for such service.
- 4. Billing Month: The period between any two regular billing periods of the Company's service at approximately thirty (30) day intervals.
 - 5. Billing Period: The time interval between two consecutive billings.
- 6. Collection Main: All sewer pipe, owned, operated, or maintained by the Company that is used for the collection and transportation of sewage, except any Service Line as defined herein.
 - 7. Commission: The Arizona Corporation Commission, the regulatory authority of the State of Arizona having jurisdiction over public service corporations operating in Arizona.
 - 8. Commodity Charge: The unit of cost per billed discharge as set forth in the Company's tariffs.
 - 9. Company: EPCOR Water Arizona Inc.
- 10. Contributions in Aid of Construction: Funds provided to the Company by the applicant under the terms of a collection main extension agreement and/or service connection tariff, the value of which are not refundable.
- 11. Customer: The person or entity in whose name service is rendered, as evidenced by the signature on the application or contract for that service, or by the receipt and/or payment of bills regularly issued in his name regardless of the identity of the actual user of the service.
- 12. Customer Charge: The amount the customer must pay the Company for the availability of sewer service, excluding any amount of discharge, as specified in the Company's tariffs.
 - 13. District: Mohave Wastewater District.
- 14. Main Extension: The mains and ancillary facilities relevant to providing service to additional customers via the extension of the collection system.

ISSUED:

<u>September 15, 2015</u>

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO.1 (continued) DEFINTIONS

- 15. Minimum Charge: The amount the Customer must pay for the availability of sewer service, including an amount of discharge, as specified in the Company's tariffs.
- 16. Permanent Customer: A Customer who is a tenant or owner of a service location who applies for and receives sewer service.
- 17. Permanent Service: Service which, in the opinion of the Company, is of a permanent and established character. The use of sewer service may be continuous, intermittent, or seasonal in nature.
- 18. Person: Any individual, partnership, corporation, governmental agency, or other organization operating as a single entity.
- 19. Point of Collection: The point where pipes owned, leased, or under license by a Customer are connected to the Company's collection system.
- 20. Premises: All of the real property and apparatus employed in a single enterprise, or living unit, on an integral parcel of land undivided by public streets, alleys or railways.
- 21. Residential Subdivision Development: Any tract of land that has been divided into six or more contiguous lots for use in the construction of residential buildings or permanent mobile homes for either single or multiple occupancy; as "subdivision" is defined by Arizona Revised Statutes §32-2101.
 - 22. Residential Use: Service to customers discharging sewage for domestic purposes.
 - 23. Rules: The regulations set forth in the tariffs that apply to the provision of sewer service.
- 24. Service Area: The territory in which the Company has been granted a certificate of convenience and necessity and is authorized by the Commission to provide sewer service.
- 25. Service Establishment Charge: The charge as specified in the Company's Schedule of Rates that covers the cost of establishing a new account.
- 26. Service Line: A sewer line that transports sewage from a Customer's point of disposal to a common source (normally a Collection Main) of collection of the Company.
- 27. Service Reconnect Charge: A charge, as specified in the Company's tariffs, which must be paid by the Customer prior to reconnection of sewer service each time the sewer service is disconnected for non-payment or whenever service is discontinued for failure to comply with the Company's filed tariffs.
- 28. Service Reestablishment Charge: A charge as specified in the Company's tariffs, for service at the same location where the same Customer or a member of the Customer's immediate family, had ordered a service disconnection within the preceding twelve month period.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

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Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO.1 (continued) DEFINTIONS

- 29. Sewage: Ground garbage, human or animal excretions and other domestic, commercial, or industrial waste normally disposed of through a sanitary sewer system, but not including storm water, surface water, roof run-off, surface drainage, footing drainage, or unapproved industrial process water or waste.
- 30. Single Family Dwelling: A house, an apartment, or a mobile home permanently affixed to a lot, or any other permanent residential unit that is used as a home.
- 31. Tariffs: The documents filed with the Commission that list the service and products offered by the Company and that set forth terms and conditions and a schedule of the rates and charges for those services and products.
- 32. Temporary Service: Service to premises or enterprises that are temporary in character, or where it is known in advance that the service will be of limited duration. Service that, in the opinion of the Company, is for operations of a speculative character is also considered temporary service.
 - 33. Utility: The public service corporation providing sewer service to the public in compliance with state law.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 2 ESTABLISHMENT OF SERVICE

INFORMATION FROM NEW APPLICANTS.

- 1. The Company may obtain the following minimum information prior to acceptance of an Applicant as a Customer.
 - a. Name or names of Applicant(s).
 - b. Service address or location and telephone number.
 - c. Billing address or location and telephone number, if different than service address.
 - d. Address where service was provided previously
 - e. Date Applicant will be ready for service.
 - f. Indication of whether premises have been supplied with utility service previously.
 - g. Purpose for which service is to be used.
 - h. Indication of whether Applicant is owner or tenant of or agent for the premises, and written proof of agency.
- 2. The Company may require a new Applicant for service to appear at the Company's designated place of business to produce proof of identity and sign the Company's application form.
- 3. Where service is requested by two or more individuals, the Company shall have the right to collect the full amount owed to the Company from any one of the Applicants.

B. DEPOSITS.

- 1. The Company may require a deposit from any new Applicant for service.
- 2. The Company shall issue a nonnegotiable receipt to the Applicant for the deposit. The inability of the Customer to produce such a receipt shall in no way impair his right to receive a refund of the deposit which is reflected on the Company's records.
- 3. Interest on deposits shall be calculated annually at an interest rate filed by the Company and approved by the Commission in a tariff proceeding. In the absence of such, the interest rate shall be 6% per annum.
- Interest shall be computed and accrued to the Customer's account on annual basis.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

Month Day Year Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

- 5. Residential deposits plus accrued interest shall be refunded within thirty (30) days after discontinuance of service when the Customer has paid all outstanding amounts due the Company.
- 6. A separate deposit may be required for each service installed.
- 7. The amount of a deposit required by the Company shall be determined according to the following terms:
 - Residential Customer deposits shall not exceed two times the average residential class bill as evidenced by the Company's most recent annual report filed with the Commission.
 - b. Nonresidential Customer deposits shall not exceed two and one half times that Customer's estimated maximum monthly bill.
 - c. The Company may review the Customer's discharge after service has been established and adjust the deposit amount based upon the Customer's actual discharge.
- 8. Deposits will automatically be refunded by the Company after twelve (12) consecutive months during which time the Customer has not been delinquent more than three (3) times in a twelve (12) month period, or at the discretion of the Company at any time before service is discontinued. Upon final discontinuance of the use of the service and full settlement of all bills by the Customer, any deposit, not previously refunded. with accrued interest, if any, in accordance with the provisions of this policy will be returned to the Customer or at the Company's election, it may be applied to the payment of any unpaid accounts of the Customer and the balance, if any, returned to the Customer.
- The Company may require a Customer to establish or reestablish a deposit if the Customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or has been disconnected for nonpayment during the last twelve (12) months.
- 10. Deposits shall not prevent the Company from terminating the agreement for service with a Customer or suspending service for any failure in the performance of Customer obligations under the agreement for service or any violation of the Company's Rules and Regulations.
- 11. Upon discontinuance of service, the deposit may be applied by the Company toward settlement of the Customer's bill.

C. GROUNDS FOR REFUSAL OF SERVICE

- 1. The Company may refuse to establish service if any of the following conditions exist:
 - The Applicant has an outstanding amount due for the same class of utility service with the Company, and the Applicant is unwilling to make arrangements with the Company for payment.

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<u>September 15, 2015</u>

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RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

- b. A condition exists or could occur which in the Company's judgment is unsafe or hazardous to the Applicant, the general population, or the Company's personnel or facilities.
- c. Refusal by the Applicant to provide the Company with a deposit.
- d. Customer is known to be in violation of the Company's tariffs filed with the Commission or of the Commission's Rules and Regulations.
- e. Failure of the Customer to furnish such funds, service, equipment, and/or rights-of-way necessary to serve the Customer and which have been specified by the Company as a condition for providing service.
- f. Applicant falsifies his or her identity for the purpose of obtaining service.

D. SERVICE ESTABLISHMENTS, REESTABLISHMENTS, OR RECONNECTION CHARGE

- 1. The Company may make a charge as periodically filed with the Commission for establishment, reconnection or disconnection of service.
- 2. Should service be established or disconnected during a period other than regular working hours at the Customer's request or cause, the Customer may be required to pay an after hours charge. Where the Company's scheduling will not permit the requested service on the same day requested, the Customer can elect to pay the after hours charge for the service that day.
- 3. For the purpose of this rule, service establishments are where the Customer's facilities are ready and acceptable to the Company and do not require construction on the part of the Company.

E. TEMPORARY SERVICE

- 1. Applicants for temporary service may be required to pay the Company, in advance of service establishment, the estimated cost of installing and removing the facilities necessary for furnishing sewer service.
- 2. Where the duration of service is to be less than one month, the Applicant may also be required to advance a sum of money equal to the estimated bill for service.
- 3. Where the duration of service is to exceed one month, the Applicant may also be required to meet the deposit requirements of the Company.

ISSUED:

September 15, 2015

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RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

4. If at any time during the term of the agreement for service the character of a temporary Customer's operations changes so that in the opinion of the Company the Customer is classified as permanent, the terms of the Company's main extension rules shall apply.

F. **DOUBTFUL PERMANENCY**

When in the Company's opinion, the permanent nature of the Customer's requirement for sewer service is doubtful, the Customer shall be required to enter into an agreement with the Company and shall advance the entire cost of construction, including the mains and associated equipment. The agreement shall include provisions for refund upon proof of permanency to the satisfaction of the Company.

G. SERVICE LOCATION, INFORMATION

The Company reserves the right to determine the conditions under which extension will be made. Conditions for service and extending service to the Customer will be based upon the following:

- a. All such installations shall be in accordance with the Company's specifications and located at an outdoor location accessible to the Company.
- b. Individual Customers may be required to have their property corner pins and/or markers installed.

Η. **IDENTIFICATION OF PREMISES**

The premises to be served by the Company shall be clearly identified by the Customer at the time of application. If the service address is not recognized in terms of a commonly used identification system, the Customer may be required to provide specific written directions and/or legal descriptions before the Company shall be required to act upon a request for sewer service.

1. SERVICE CALLS OR ESTABLISHMENTS DURING REGULAR HOURS

A service charge shall be made to the Customer based upon the time, materials and equipment used by the Company for the following:

- 1. Interruption caused by the Customer's willful act or omission, negligence or failure of Customer owned equipment, even though the Company is unable to perform any work beyond the Point of Collection.
- 2. Reconnection of sewer service to any Customer previously disconnected for nonpayment, unlawful use of service, misrepresentation to the Company, unsafe conditions, threats to Company personnel or property, failure to permit safe access, detrimental effects of Customer demands on the Company system, failure to establish credit and/or sign an agreement for service, or any other reason authorizing the Company to make such disconnection.

ISSUED:

September 15, 2015

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RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

SERVICE CALLS OR ESTABLISHMENTS AFTER REGULAR HOURS

A service charge, not to exceed the actual cost of the employee's time and the materials and equipment used by the Company, will be imposed for a service call after regular hours for the following:

- 1. Interruptions caused by the Customer's willful act or omission, negligence or failure of Customer owned equipment, even though the Company is unable to perform any work beyond the Point of Collection. The Company shall make reasonable effort to advise the Customer about the possibility of such charges before the service call starts.
- 2 . Reconnection of sewer service to any Customer previously disconnected for nonpayment, unlawful use of-service, misrepresentation to the Company, unsafe conditions, threats to Company personnel or property, failure to permit safe access, detrimental effects of Customer demands on the Company system, failure to establish credit and/or sign an agreement for service or any other reason authorizing the Company to make such disconnection. Such work will be performed only when requested and agreed to by the Customer.

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RULE NO. 3 MINIMUM CUSTOMER INFORMATION REQUIREMENTS

A. INFORMATION FOR RESIDENTIAL CUSTOMERS

- 1. The Company shall make available upon Customer request not later than sixty (60) days from the date of request a concise summary of the rate schedule applied for by such Customer. The summary shall include the following:
 - a. Monthly minimum or Customer charge, identifying the amount of the charge and the specific amount of minimum discharge included in the minimum charge, where applicable.
 - Rate calculation, including where applicable, computations based upon seasonal or annual water usage.
 - Any adjustment factor(s) or tax impositions and methods of calculation.
- 2. The Company shall, to the extent practical, identify the tariff most advantageous to the Customer and notify the Customer of such prior to service commencement.
- 3. In addition, the Company shall make available upon Customer request not later than sixty (60) days from the date of request a copy of the Company's Rules and Regulations concerning:
 - a. Deposits
 - b. Termination of service
 - c. Billing and collection
 - d. Complaint handling
- 4. The Company shall inform all new Customers of their right to obtain the information specified above.

B. INFORMATION REQUIRED DUE TO CHANGES IN TARIFFS

- 1. The Company shall transmit to affected Customers by the most economic means available a concise summary of any change in the Company's tariffs affecting those Customers.
- 2. This information shall be transmitted to the affected Customer within sixty (60) days of the effective date of the change.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015 Month Day Year

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RULE NO. 4 SERVICE CONNECTIONS AND REESTABLISHMENTS

A. PRIORITY AND TIMING OF SERVICE ESTABLISHMENTS

- 1. After an Applicant has complied with the Company's application and deposit requirements and has been accepted for service by the Company, the Company shall schedule that Customer for service connection and/or establishment.
- 2. Service establishments shall be scheduled within five (5) working days of the date the Customer has been accepted for service, except in those instances when the Customer requests service establishments beyond the five (5) working day limitation.
- 3. When the Company has made such arrangements to meet with a Customer for service establishment purposes and the Company or the Customer cannot make the appointment during the prearranged time. the Company shall reschedule the service establishment to the satisfaction of both parties.
- 4. The Company shall schedule service establishment appointments within a maximum range of four (4) hours during normal working hours, unless another time frame is mutually acceptable to the Company and the Customer.
- 5. Service establishments shall be made only by qualified Company service personnel or persons authorized by the Company.
- 6. For the purposes of this rule, establishment of service takes place only when the Customer's facilities are ready and acceptable to the Company.

B. SERVICE LINES

- 1. An Applicant for service shall be responsible for the cost of installing all plumbing up to the Applicant's Point of Collection (i.e., the "Service Line"). In addition, the Applicant is responsible for the proper grade or leveling of the Service Line so that it conforms with the collection system of the Company.
- 2. An Applicant for service shall pay to Company as a non-refundable Contribution in Aid of Construction a sum for each Service Line connection as specified in Company's tariff.
- 3. Where the Service Line location on a Customer's premises is changed at the request of the Customer or due to alterations on the Customer's premises, the Customer shall provide and have installed at the Customer's expense in accordance with the Company's specifications, all piping necessary for relocating the Service Line and the Company may charge the actual cost of moving the Point of Collection.
- 5. The Customer's Service Line must be installed in such a manner as to prevent cross-connection or backflow to the domestic water system.
- 6. The Customer shall design and install all plumbing in accord with existing plumbing codes.
- 7. The Company shall retain the right to specify the location and size of any Service Line connection.

ISSUED:

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RULE NO. 4 Continued SERVICE CONNECTIONS AND REESTABLISHMENTS

C. CUSTOMER PROVIDED EQUIPMENT, SAFETY AND OPERATION

1. Each Customer shall be responsible for maintaining all equipment and facilities used for utility services located on the Customer's side of the Point of Collection in safe operating condition.

D. EASEMENTS AND RIGHTS-OF-WAY

- 1. Each Customer shall grant easements and rights-of-way satisfactory to the Company to ensure that Customer proper service connection. Failure on the part of the Customer to grant adequate easements and rights-of-way shall be grounds for the Company to refuse service.
- 2. When the Company discovers that a Customer or the Customer's agent is performing work or has constructed facilities adjacent to or within an easement or right-of-way and such work, construction or facility poses a hazard or is in violation of federal, state or local laws, ordinances, statutes, rules or regulations, or significantly interferes with the Company's access to equipment, the Company shall notify the Customer or the Customer's agent and shall take whatever actions are necessary to eliminate the hazard, obstruction or violation at the Customer's expense.
- 3. If it is necessary for the Company to excavate in an easement or right-of-way to extend or repair sewer facilities, the Company will not be responsible for the cost to replace or repair landscaping, fences, trees, shrubs, structures, etc. placed within the easement or right-of-way.
- 4. The Company shall at all times have the right of safe ingress to and egress from the Customer's premises at all reasonable hours for any purpose reasonably connected with the Company's property used in furnishing service.

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RULE NO. 5 COLLECTION MAIN EXTENSION AGREEMENTS

A. EXTENSIONS OF MAINS AND SERVICES; ADVANCES IN AID OF CONSTRUCTION

- 1. The Company may supply services for temporary purposes, provided that the Company has capacity available in excess of the Company's regular needs, and provided the Company has available material and equipment necessary to supply said service. Each Applicant for such service must pay in advance, to the Company, the Company's estimate of the cost of labor and materials, less salvage value on removal, for installing and removing such service.
- 2. An Applicant for the extension of mains or services shall be required to pay the Company, as a refundable Advance in Aid of Construction, before construction is commenced, the estimated reasonable cost of all mains, service pipe lines, fittings, other costs and reasonable overheads.
 - Upon request by a potential Applicant for a collection Main Extension, the Company shall prepare, without charge, a preliminary sketch and rough estimates of the cost of installation to be paid by that Applicant.
 - Any Applicant for a collection Main Extension requesting the Company to prepare detailed plans, specifications, or cost estimates may be required to deposit with the Company an amount equal to the estimated cost of preparation. The Company shall, upon request, make available within ninety (90) days after receipt of the deposit referred to above, such plans, specifications, or cost estimates of the proposed collection Main Extension. Where the Applicant accepts the plans and the Company proceeds with construction of the Main Extension, the deposit shall be credited to the cost of construction; otherwise the deposit shall be nonrefundable. If the extension is to include oversizing of facilities to be done at the Company's expense, appropriate details shall be set forth in the plans, specifications and cost estimates.
 - In the event that additional facilities are required to provide or sustain sewer collection, treatment, or effluent disposal services for the new service or services requested, or for existing Customers, and the cost of the additional facilities is disproportionate to anticipated revenues to be derived from future Customers using these facilities, the estimated reasonable cost of such additional facilities may be included in refundable Advances in Aid of Construction to be paid to the Company.
- 2. Refunds of advances shall be made in accord with the following method: Company shall each year pay to the party making an advance under a Main Extension agreement, or that party's assigns or other successors in interest where the Company has received and approved notice and evidence of such assignment or succession, an amount equal to ten percent (10%) of the total gross annual revenue. less any gross receipts or sales taxes and amounts payable to any municipalities or others for treatment and/or transmission of sewage, from each bonafide Customer whose service is connected directly to main or extension lines covered by the Main Extension agreement. Refunds shall not be made for any period after the expiration of five (5) years from the date of the advance. Refunds shall be made by the Company on or before the 31st day of August of each year, covering any refunds owing from sewage revenues received during the preceding July 1st to June 30th period. A balance remaining at the end of the five-year period

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RULE NO. 5 (Continued) COLLECTION MAIN EXTENSION AGREEMENTS

- shall become non-refundable, and the balance not refunded shall be entered as a Contribution in Aid of Construction in the accounts of the Company.
- 4. The aggregate refunds shall in no event exceed the total of the refundable Advances in Aid of Construction. No interest shall be paid by the Company on any amounts advanced. -The Company shall make no refunds from any revenue received from any lines, other than the Customer's service lines, leading up to or taking off from the particular main or line extension covered by the agreement.
- 5. The Company may, upon approval by the Commission, terminate its obligation to refund a percentage of gross revenues from a line extension by accord and satisfaction of its obligations under the line extension agreement.
- 6. All agreements entered into shall be evidenced by a written agreement, and signed by the Company and the parties advancing the funds for Advances in Aid of Construction, or the duly authorized agents of each.
- 7. The size, design, type and quality of materials and of the system, installed location in the ground, and the manner of installation, shall be specified by the Company, and shall accord with the requirements of the Commission or other public agencies having authority over that installation. The Company may install line extensions of any size meeting the requirements of the Commission or any other public agencies having authority over the construction and operation of the sewer system.
- 8. All facilities installed shall be the sole property of the Company, and parties making Advances in Aid of Construction shall have no right, title or interest in any such facilities.
- 9. The Company, upon written request, shall furnish to any party seeking to enter into a line extension agreement a schedule of the proposed reasonable contract price for such extension of mains, or other facilities. Such schedule shall show a breakdown of the contract prices of materials and costs of installation. Different sizes and types of pipes shall be separately stated. Other facilities shall be separately stated or listed as a percentage of total cost. All installations shall be made without provision for profit to the Company, but shall include reasonable overheads.
- 10. The Company shall schedule within reason all new requests for line extension agreements and for service under line extension agreements, promptly and in the order received.
- 11. If an Applicant for service seeking to enter into a line extension agreement deems the contract price or the time of performance to be unreasonable, the Applicant may solicit bids from bonded contractors, provided that all bids shall be submitted by the bid date stipulated by the Company. If a lower bid is thus obtained, or if a bid is obtained at an equal price and with a more appropriate time of performance, and if such bid contemplates total conformity with the Company's requirements and specifications, the Company shall be required to meet the terms and conditions of the bid proffered, or to enter into a construction contract with the contractor proffering such bid. A performance bond in the total amount of the contract may be required by the Company from the contractor prior to construction.

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- 12. In the case of disagreement or dispute regarding the application of this rule or any of its several provisions, or where the application of this rule works an injustice or undue hardship upon any party or anticipated party to any agreement hereunder, the party aggrieved may refer the matter to the Commission for hearing and decision in accord with the Rules of Practice and Procedure of the Commission.
- 13. No extensions of facilities shall be made by the Company, or installations made by any Applicant, without first having received approval of plans and specifications of such extensions or installations from the Arizona State Department of Environmental Quality or its successor, delegate or any other governmental agency having jurisdiction.

B. WRITTEN AGREEMENT REQUIREMENTS

- 1. Each collection Main Extension agreement shall, at a minimum, include the following information:
 - a. Name and address of Applicant(s).
 - b. Proposed service address or location.
 - c. Description of requested service.
 - d. Description and sketch of the requested Main Extension.
 - e. Itemized cost estimate to include materials, labor, and other costs as necessary.
 - f. Payment terms.
 - g. A clear and concise explanation of any refunding provisions, if applicable.
 - h. The Company's estimated start date and completion date for construction of the collection main extension.
- 2. Each Applicant shall be provided with a copy of the written collection Main Extension agreement.

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RULE NO. 5 (Continued) COLLECTION MAIN EXTENSION AGREEMENTS

C. FINAL COST

- I. In the event the Company's actual completed cost is less than the amount advanced by the Applicant, the Company shall make a refund to the Applicant within 120 days after completion of the construction or Company's receipt of invoices related to that-construction.
- 2. In the event the Company's actual completed cost is more than the amount advanced by the Applicant, the Company shall notify the Applicant and the Applicant shall remit additional funds within 120 days of notification of the actual completed cost. Should the Applicant fail to remit additional funds, service may be discontinued to the extension until the actual completed cost is paid in full.

D. CONSTRUCTION/FACILITIES RELATED INCOME TAXES

1. Definitions

- a. "Rate Basing" Company paid federal income tax (FIT) and state income tax (SIT), if any, due on the receipt of an Advance in Aid of Construction (AIAC) or a Contribution in Aid of Construction (CIAC) in accordance with the Tax Reform Act of 1986, as amended (TRA-86). Tax paid is included in the Deferred Income Tax Account and used in the calculation of rate base. This amount is reduced by the effect of tax depreciation received for AIAC/CIAC plant and tax deductions resulting from refunds of AIAC.
- b. "Full Gross Up" Utility requires contributor/advancer to pay entire FIT/SIT plus a gross-up to reflect the tax on tax resulting from treating all AIAC/CIAC payments as taxable income.
- 2. For construction or proposed construction which, in the judgment of the Company, will be utilized by ultimate Customers of the Company in the near future, the Company shall account for the advances and/or contributions required by this Rule by "Rate Basing" them as defined in Paragraph D.I.a. No additional tax related amount shall be required with the AIAC or CIAC.
- 3. For construction or proposed construction costs collected pursuant to tariff provisions, Commission Rule and Regulation, or Order, and which are subject to Paragraph D.4, the Company shall require contributor/advancer to provide funds necessary for the Company to pay the state and federal income tax obligations associated with the subject construction or proposed construction.
- 4. In the event the Company determines that the required construction, proposed construction or

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development fall within certain criteria, some of which are set forth below, the Company may petition the Commission to authorize it to collect from the contributor/advancer funds sufficient to pay the "Full Gross Up" of state and federal income taxes as defined in Paragraph D.I.b. Without intending to limit, examples of events which shall cause the Company to require contributor/advancer to advance the taxes as contemplated herein, are as follows:

- The development or build-out of the project is remote or speculative; or
- The size of the development, as compared to the size of the Company's Customer base, represents undue risk for the Company; or
- The size of the advance/contribution or its related cost is extraordinarily large relative to the Company's rate base or revenues; or
- The public interest is better served by treating the advance/contribution as other than the "Rate Basing" methodology.

The Company must present sufficient evidence that its request to require "Full Gross Up" of taxes under this paragraph is in the public interest. The Commission may deny, alter, or amend the Company's petition for authorization to require "Full Gross Up".

- In the event contributor/advancer is required by other tariff, agreement, rule, or order to advance Facilities for the subject development, those AIAC/CIACs shall be subject to the provisions of this Section D.
- If, in the judgment of the Company based upon the specific development, tax or regulatory considerations, it is deemed inappropriate to utilize either the "Rate Basing" methodology or the "Full Gross Up" methodology, the Company shall obtain specific Commission approval authorizing alternative treatment.
- 7. Paragraphs 1-7 of this Section of the Extension Rule shall apply to all refundable AIAC and CIAC agreements entered into on or after September 1, 1988; as well as to all prior AIAC and CIAC agreements which are performed in any manner after September 1, 1988.

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RULE NO. 6 PROVISION OF SERVICE

COMPANY RESPONSIBILITY A.

- 1. The Company shall be responsible for the safe conduct and handling of the sewage from the Customer's Point of Collection.
- 2. The Company may, at its option, refuse service until the Customer has obtained all required permits and/or inspections indicating that the Customer's facilities comply with local construction and safety standards.
- 3. The Company will repair all leaks and remove all stoppages in the main. The property owner is responsible for all leaks and stoppages in the Service Line, and the Service Line must be repaired by the property owner, and if such are not repaired within a reasonable time, the owner will be in violation of these rules and regulation and subject to the penalties thereby imposed, including discontinuance of service. For the case when a portion of the Service Line is outside the boundary of a parcel of private property, the property owner shall be responsible for all stoppages and the Company shall be responsible for any structural defects or failures (including penetration of tree roots) for that portion of the Service Line outside private property. In all cases when a problem arises with the Service Line within the boundaries of the private property, the property owner is solely responsible.

CUSTOMER RESPONSIBILITY В

- 1. Each Customer shall be responsible for maintaining all facilities on the Customer's premises in safe operating condition and in accordance with the rules of the Arizona Department of Health Services and the prescribed specifications of the Company.
- 2. Each Customer shall be responsible for safeguarding all Company property installed in or on the Customer's premises for the purpose of providing sewer service to that Customer.
- 3. Each Customer shall exercise all reasonable care to prevent loss or damage to Company property, excluding ordinary wear and tear. The Customer shall be responsible for loss of or damage to Company property on the Customer's premises arising from neglect, carelessness, or misuse and shall reimburse the Company for the cost of necessary repairs and replacements.
- 4. The Customer shall be responsible for notifying the Company of any failure identified in the Company's equipment.
- 5. The Customer agrees, when accepting service, that no one except Company employees or persons authorized by the Company shall be allowed to remove or replace any Company owned equipment installed on Customer property.
- 6. No person, except an employee or person acting on behalf of the Company shall alter, remove or make any connection to the Company's facilities.

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RULE NO. 6 (continued) PROVISION OF SERVICE

7. The Customer will be held liable for any loss or damage occasioned or caused by the Customer's negligence, want of proper care or wrongful act or omission on the part of any Customer agents, employees, licensees, or contractors.

WATERS AND WASTES PROHIBITED TO BE DISCHARGED C.

- 1. All Customer classifications shall be required to comply with the prohibitions of discharge of certain waters and wastes to the sewer system as described in this RULE NO. 6. Non-compliance with these discharge prohibitions shall mean that the Customer is in violation of these rules and regulations and subject to the penalties thereby imposed, including discontinuance of service.
- 2. Certain commercial and industrial Customers may be subject to more extensive rules and regulations on the types, quantities and characteristics of waters and wastes to be discharged to the sewer system. These rules are contained in Rule No. 10 - "USE OF SANITARY SEWERS BY INDUSTRIAL DISCHARGERS." Significant Industrial Users, users subject to Federal Categorical Pre-Treatment Standards and other users which the Company deems to be regulated by more extensive discharge regulations shall enter into a special "Industrial Discharge Service Agreement" as detailed in Rule No. 10 and shall comply with all the conditions, rules and regulations contained in Rule No. 10.
- None of the Customer, Applicant, owner, nor any occupant of the premises shall discharge or cause to be discharged into the Service Line or into the main any of the following described waters or wastes:
 - a. any storm water, surface water, roof run-off, surface drainage, footing or basement drainage, cooling water or unapproved industrial process water.
 - b. any liquid or vapor having a temperature higher than 150 degrees F,
 - c. any water or waste which may contain more than one hundred (100) parts per million by weight of fat, oil or grease;
 - d. any gasoline, naphtha, fuel oil or other flammable or explosive liquid, solid or gas:
 - e. any garbage that has not been properly shredded through a disposal unit or other shredding device:
 - f. any ashes, cinders, sand, mud, straw, shavings, metal, glass, tar, wood or any other solid or viscous substance capable of causing obstruction to the sewers, mains or outlets or the proper operation of said sewer system;
 - g. any water or waste having a toxic or poisonous substance in sufficient quantity so as to constitute a hazard to humans or animals:
 - h. any noxious or malodorous gas or substance capable of creating a public nuisance;

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RULE NO. 6 (continued) PROVISION OF SERVICE

- any water or waste containing more than five hundred (500) parts per million by weight of suspended solids as measured in any one grab type sample. The term "suspended solids" as used in this subparagraph shall mean solids that either float on the surface of, or are in suspension in, water, sewage or other liquids and which are removable by laboratory filtering;
- any water or waste having a "pH" less than 5.0 units or greater than 10.5 units or having any other corrosive property capable of causing damage or hazard to personnel or structures, pipes and equipment of the sewer system. The term "pH" as used in this subparagraph shall mean the logarithm of the reciprocal of the concentration, by weight, of hydrogen ions expressed in grams per liter of solution;
- k. any water or waste with pollutant concentrations in excess of the following instantaneous maximum effluent limitations as measured in any one grab type sample (expressed in the total form unless otherwise stated; μG/L = Micrograms per Liter, mg/l - Milligrams per Liter)

PARAMETER	EFFLUENT LIMITATION (INSTANTANEOUS MAXIMUM)
Benzene	130 μG/L
Chloroform	420 μG/L
Cyanide (amenable to chlorination)	200 μG/L
Methylene Chloride	4,200 μG/L
Sulfides (dissolved)	0.5 MG/L
Tetrachloroethylene	530 μG/L
Trichloroethylene	700 μG/L

- Any of the following prohibited substances:
 - (1) BH
 - (2)BHC - Alpha
 - (3)BHC - Beta
 - (4)BHC - Gamma (Lindane)
 - (5)Chrysene
 - (6)Heptachlor
 - Heptachlor Epoxide (7)
 - (8)Phenanthrene
 - (9)Polychlorinated Biphenyl Compounds

CONTINUITY OF SERVICE D.

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RULE NO. 6 (continued) PROVISION OF SERVICE

The Company shall make reasonable efforts to supply a satisfactory and continuous level of service. However, the Company shall not be responsible for any damage or claim of damage attributable to any interruption or discontinuation of service resulting from:

- Any cause against which the Company could not have reasonably foreseen or made provision for, i.e., force majeure.
- Intentional service interruptions to make repairs or perform routine maintenance.
- Any temporary overloading of the Company's collection or treatment facilities.

E. SERVICE INTERRUPTIONS

- 1. The Company shall make reasonable efforts to reestablish service within the shortest possible time when service interruptions occur.
- 2. The Company shall make reasonable provisions to meet emergencies resulting from failure of service, and shall issue instructions to its employees covering procedures to be followed in the event of emergency in order to prevent or mitigate interruption or impairment of service.
- 3. In the event of a national emergency or local disaster resulting in disruption of normal service, the Company may, in the public interest, interrupt service to other Customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.
- 4. When Company plans to interrupt service for more than four (4) hours to perform necessary repairs or maintenance, the Company shall attempt to inform affected Customers at least 24 hours in advance of the scheduled date and estimated duration of the service interruption. Such repairs shall be completed in the shortest possible time to minimize the inconvenience to the Customers of the Company.
- 5. The Commission shall be notified of interruptions in service affecting the entire system or any major division thereof. The interruption of service and cause shall be reported within four (4) hours after the responsible representative of the Company becomes aware of the interruption, by telephone to the Commission, and followed by a written report to the Commission.

ISSUED:

<u>September 15, 2015</u>

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RULE NO. 6 (continued) PROVISION OF SERVICE

F. CONSTRUCTION STANDARDS

- The design, construction and operation of all sewer plants and collection systems shall conform to the requirements of the Arizona Department of Environmental Quality, any local Department of Health authority or any successor agencies, any other governmental agency having jurisdiction over that design, construction or operation, and the Company. Phased construction is acceptable.
- 2. The Company shall retain the right to specify the type, size and features of the constructed facilities in order to insure high standards of service and to facilitate efficiencies in operation. The Company shall have authority to specify unique manufacturers, models or features (including sole source suppliers) to insure system standardization and operational efficiency. Life cycle cost analyses, including capital versus operational costs, shall be used in the process of determining the type, size and features of facilities to be constructed.

G. ELECTION OF RATE SCHEDULES

The Company shall use its best efforts to select the most favorable rate for which the Customer is eligible based on available data at the time of application. The Company shall use its best efforts for notifying the Customer of the most favorable rate schedule if the class has changed after initial application, and shall not be required to refund the difference in charge under different rate schedules. Upon written application of any material changes in the Customer installation, the Company will assist in determining if a change in rate schedule is desirable.

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 7 BILLING AND COLLECTION

FREQUENCY

The Company shall bill monthly for services rendered, unless otherwise approved by the Commission.

- B. MINIMUM BILLING INFORMATION
- 1. Each bill for residential service will contain the following minimum information:
 - a. Billing period
 - b. Billed discharge, where applicable
 - c. Company telephone number
 - d. Customer's name
 - e. Service account number
 - f. Amount due and terms of payment
 - g. Past due amount, where appropriate
 - h. Adjustment factor, where applicable
 - i. Privilege, sales or use tax, or any regulatory assessment applicable
 - J. other approved tariff charges

C. BILLING TERMS

- 1. All bills for utility services are due and payable when rendered. All bills not paid within ten (10) days shall be considered delinquent.
- 2. For purposes of this rule, the date a bill is rendered may be evidenced by:
 - a. The postmark date
 - b. The mailing date
- 3. All delinquent bills shall be subject to the provisions of the Company's termination procedures.
- 4. All payment shall be made at or mailed to Company.

ISSUED:

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 7 (Continued) BILLING AND COLLECTION

D. APPLICABLE TARIFFS, PREPAYMENT, FAILURE TO RECEIVE, COMMENCEMENT DATE, TAXES

- 1. Each Customer shall be billed under the applicable tariff indicated in the Customer's application for service.
- 2. The Company shall make provisions for advance payment for sewer services.
- 3. Failure to receive bills or notices which have been properly placed in the United States mail shall not prevent such bills from becoming delinquent nor relieve the Customer of his obligations therein.
- 4. Charges for service commence when the service is installed and connection made, whether used or not.
- 5. In addition to the collection of regular rates, the Company may collect from its Customers a proportionate share of any privilege, sales or use tax, or other imposition based on the gross revenues received by the Company.

E. INSUFFICIENT FUNDS (NSF) CHECKS

- 1. The Company shall be allowed to recover a fee, as approved by the Commission, for each instance where a Customer tenders payment for utility service with an insufficient funds check and require a security deposit equal to that prescribed in Section B, provision 7 of Rule No. 2.
- 2. When the Company is notified by the Customer's bank that there are insufficient funds to cover the check tendered for utility service, the Company may require the Customer to make payment in cash. money order, certified check or other means which guarantee the Customer's payment to the Company.
- 3. A Customer who tenders an insufficient funds check shall in no way be relieved of the obligation to render payment to the Company under the original terms of the bill nor defer the Company's provision for termination of service for nonpayment of bills.
- 4. No personal checks will be accepted from a Customer if two (2) NSF checks have been received by the Company from that Customer within a twelve-month period in payment of any billing.

F. **DEFERRED PAYMENT PLAN**

- 1. The Company may, prior to termination, offer to qualifying residential Customers a deferred payment plan for the Customer to retire unpaid bills for service.
- 2. Each deferred payment agreement, entered into in writing by the Customer and the Company, due to the Customer's inability to pay an outstanding bill in full shall provide that service will not be discontinued if:

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RULE NO. 7 (Continued) BILLING AND COLLECTION

- Customer agrees to pay a reasonable amount of the outstanding bill at the time the parties enter into the deferred payment plan.
- Customer agrees to pay all future bills for service in accordance with the billing and collection tariffs of the Company.
- Customer agrees to pay a reasonable portion of the remaining outstanding balance in installments over a period not to exceed six (6) months.
- 3. For the purpose of determining a reasonable installment payment schedule under these rules, the Company and the Customer shall give consideration to the following conditions:
 - Size of the delinquent account.
 - b. Customer's ability to pay
 - Customer's payment history.
 - Length of time that the debt has been outstanding.
 - Circumstances which resulted in the debt being outstanding.
 - Any other relevant factors related to the circumstances of the Customer. f.
- 4. Any Customer who desires to enter into a deferred payment agreement shall establish such agreement prior to the Company's scheduled termination date for nonpayment of bills. Customers' failure to execute a deferred payment agreement prior to the scheduled termination date shall not prevent the Company from terminating service for nonpayment.
- 5. Deferred payment agreements shall be in writing and signed by the Customer and an authorized Company representative.
- 6. A deferred payment agreement may include a finance charge as approved by the Commission in a tariff proceeding.
- 7. If a Customer has not fulfilled the terms of a deferred payment agreement, the Company shall have the right to disconnect service pursuant to the Company's termination of service rules and, under such circumstances, it shall not be required to offer subsequent negotiation of a deferred payment agreement prior to termination.
- G. LATE PAYMENT PENALTY

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RULE NO. 7 (Continued) BILLING AND COLLECTION

- 1. The Company may include in its tariffs a late payment penalty which may be applied to delinquent bills.
- 2. The amount of the late payment penalty shall be indicated upon the Customer's bill when rendered by the Company.
- 3. In the absence of an approved tariff, the amount of the late payment penalty shall not exceed 1 1/2% per month of the delinquent bill, applied on a monthly basis.

H. CHANGE OF OCCUPANCY

- 1. Not less than three (3) working days advance notice must be given in person, in writing, or by telephone at the Company office to discontinue service or to change occupancy.
- 2. The outgoing party shall be responsible for all utility services provided and/or consumed up to, and including the scheduled turn off date.

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RULE NO. 8 TERMINATION OF SERVICE

NONPERMISSIBLE REASONS TO DISCONNECT SERVICE A.

- 1. The Company may not disconnect service for any of the reasons stated below:
 - Delinquency in payment for services rendered to a prior Customer at the premises where services is being provided, except in the instance where the prior Customer continues to reside on the premises.
 - Failure of the Customer to pay for services or equipment which are not regulated by the Commission.
 - Nonpayment of a bill related to another class of sewer service.
 - Failure to pay for a bill to correct a previous underbilling due to a billing error if the Customer and d. Company agree in writing to payment terms over a reasonable period of time.
 - Disputed bills where the Customer has complied with the Commission's rules and regulations.

B. TERMINATION OF SERVICE WITHOUT NOTICE

- 1. Utility service may be disconnected without advance written notice under the following conditions:
 - The existence of an obvious hazard to the safety or health of the consumer, the general a. population, Company personnel, or property.
 - The Company has evidence of fraud.
 - Unauthorized use of utility services. C.
- The Company shall not be required to restore service until the conditions which resulted in the termination have been corrected to the satisfaction of the Company.
- The Company shall maintain a record of all terminations of service without notice. This record shall be maintained for a minimum of one (1) year and shall be available for inspection by the Commission.

C. TERMINATION OF SERVICE WITH NOTICE

1. The Company may disconnect service to any Customer for any reason stated below provided the Company has met the notice requirements established by the Commission:

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- Customer's violation of any of the Company's tariffs filed with the Commission and/or violation of the Commission's rules and regulations.
- Failure of the Customer to pay a delinquent bill for utility service.
- Failure to meet or maintain the Company's credit and deposit requirements.
- Failure of the Customer to provide the Company reasonable access to its equipment and d. property.
- Customer's breach of a written contract for service between the Company and Customer.
- When necessary for the Company to comply with an order of any governmental agency having such jurisdiction.
- The Company may terminate water service to effect sewer service termination when it provides both services to the same Customer upon the same premises.
- 2. The Company shall maintain a record of all terminations of service with notice. This record shall be maintained for one (1) year and be available for Commission inspection.

D. TERMINATION NOTICE REQUIREMENTS

- 1. The Company shall not terminate service to any of its Customers without providing advance written notice to the Customer of the Company's intent to disconnect service, except under those conditions specified where advance written notice is not required.
- Such advance written notice shall contain, at a minimum, the following information:
 - The name of the person whose service is to be terminated and the address where service is being rendered.
 - The Commission rule or regulation that was violated and explanation thereof or the amount of the bill which the Customer has failed to pay in accordance with the payment policy of the Company, if applicable.
 - C. The date on or after which service may be terminated.
 - A statement advising the Customer that the Company's stated reason for the termination of service may be disputed by contacting the Company at a specific address or phone number, advising the Company of the dispute and making arrangements to discuss the cause for termination with a

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responsible employee of the Company in advance of the scheduled date of termination. The responsible employee shall be empowered to resolve the dispute and the Company shall retain the option to terminate service after affording this opportunity for a meeting and concluding that the reason for termination is just and advising the Customer of his right to file a complaint with the Commission.

E. TIMING OF TERMINATIONS WITH NOTICE

- 1. The Company shall be required to give at least five (5) days' advance written notice prior to the termination date.
- 2. Such notice shall be considered to be given to the Customer when a copy thereof is left with the Customer or posted first class in the United States mail, addressed to the Customer's last known address.
- 3. If after the period of time allowed by the notice has elapsed and the delinquent account has not been paid nor arrangements made with the Company for the payment thereof or in the case of a violation of the Company's rules the Customer has not satisfied the Company that such violation has ceased, the Company may then terminate service on or after the day specified in the notice without giving further notice.
- 4. Service may only be disconnected in conjunction with a personal visit to the premises by an authorized representative of the Company.
- 5. The Company shall have the right (but not the obligation) to remove any or all of its property installed on the Customer's premises upon the termination of service.

F. LANDLORD/TENANT RULE

- 1. In situations where service is rendered at an address different from the mailing address of the bill or where the Company knows that a landlord/tenant relationship exists and that the landlord is the Customer of the Company, and where the landlord as Customer would otherwise be subject to disconnection of service, the Company may not disconnect service until the following actions have been taken:
 - Where it is feasible to so provide service, the Company, after providing notice as required in these rules, shall offer the occupant the opportunity to subscribe for service in his or her own name. If the occupant then declines to so subscribe, the Company may disconnect service pursuant to the rules.
 - The Company shall not attempt to recover from a tenant or condition service to tenant upon the payment of any outstanding bills or other charges due upon the outstanding account of the landlord.

ISSUED:

<u>September 15, 2015</u>

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RULE NO. 9 ADMINISTRATIVE AND HEARING REQUIREMENTS

CUSTOMER SERVICE COMPLAINTS Α.

- 1. The Company shall make a full and prompt investigation of all service complaints made by its Customers, either directly or through the Commission.
- 2. The Company shall respond to the complainant and/or the Commission representative within five (5) working days as to the status of the Company investigation of the complaint.
- 3. The Company shall notify the complainant and/or the Commission representative of the final disposition of each complaint. Upon request of the complainant or the Commission representative, the Company shall report the findings
- 4. The Company shall inform the Customer of his right of appeal to the Commission should the results of the Company's investigation prove unsatisfactory to the Customer.
- 5. The Company shall keep a record of all written service complaints received which shall contain, at a minimum, the following data:
 - Name and address, of complainant
 - Date and nature of the complaint b.
 - Disposition of the complaint C.
 - A copy of any correspondence between the Company, the Customer, and/or the Commission.

This record shall be maintained for a minimum period of one (1) year and shall be available for inspection by the Commission.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 10 USE OF SANITARY SEWERS BY INDUSTRIAL DISCHARGERS

PURPOSE AND POLICY A.

This Rule sets forth uniform requirements for industrial discharges into the sanitary sewer system, and also establishes a separate industrial discharge service agreement requirement for industrial users. Implementation of an industrial user pretreatment program is consistent with the Federal Water Pollution Control Act as amended by the Clean Water Act of 1977 (Public Law 95-217) and the general pretreatment regulations contained in Title 40 of the Code of Federal Regulations, Part 403. This program is implemented by the Mohave Wastewater District in order to promote consistent application of pretreatment requirements among their Customers.

B. DEFINITIONS

The following words when used in this Rule shall have the following meanings:

- 1. Approved Laboratory Procedures The test procedures for the analysis of Pollutants as prescribed in 40 CFR Part 136, and amendments thereto that are performed by an environmental laboratory licensed by the state pursuant to A.R.S. Section 36-395. Alternative or additional validated analytical methods may be approved by the Company consistent with the requirements of applicable federal regulations.
- 2. BOD (biochemical oxygen demand) The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory conditions for five (5) days at a temperature of twenty (20) degrees centigrade, expressed in milligrams per liter.
- 3. Bypass The intentional diversion of wastes from any portion of a treatment facility.
- 4. Categorical Standards Those pretreatment standards specifying quantities or concentrations of Pollutants or Pollutant properties which may be discharged to a COLLECTION SYSTEM by Industrial Users in specific industrial categories and which are published in 40 CFR Chapter 1, Subchapter N (parts 405-471).
- 5. CFR Code of Federal Regulations.
- 6. COD (chemical oxygen demand) The quantity of oxygen consumed from a chemical oxidation of inorganic and organic matter present in the water or wastewater, expressed in milligrams per liter.
- 7. Cooling Water The wastewater discharged from any heat transfer system such as condensation, air conditioning, cooling or refrigeration.

ISSUED:

September 15, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

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- 8. Composite Sample A combination of individual samples obtained at regular intervals over a specified time period no longer than twenty-four hours. The volume of each individual sample shall be either proportional to the flow rate during the sample period (flow composite) or constant and collected at equal time intervals during the sample period (time composite) as set forth in the Industrial Discharge Service Agreement.
- 9. Composite Sample Quality The concentration of some parameter tested in a composite sample.
- 10. Daily Average Effluent Limitation The maximum allowable concentration of a Pollutant in the Discharge as measured in a Representative Sample during a sampling day.
- 11. Discharge The addition of any Sewage, Pollutant(s), water or any liquid from any sewer user into the Sewage Collection System.
- 12. District Mohave Wastewater District.
- 13. <u>Domestic User</u> Any user who discharges only Domestic Wastewater.
- 14. Domestic Wastewater Any water-borne wastes, derived from the ordinary living processes in a residential dwelling unit, of such character as to permit satisfactory disposal, without special treatment, by conventional collection and treatment systems.
- 15. Facility Any establishment or plant producing liquid waste, with or without suspended solids, required to be discharged into the Sewage Collection System.
- 16. Free Access The ability of Company personnel to enter a User's Facility under safe and nonhazardous conditions with a minimum of delay to inspect any and all parts of the User's Facility.
- 17. Garbage Solid wastes from the preparation, cooking, and dispensing of food and from the handling, storage, and sale of produce.
- 18. Grab Sample An individual sample collected in less than fifteen (15) minutes without regard for flow or time of dav.
- 19. Grab Sample Quality The concentration of some parameter tested in a Grab Sample.
- 20. Industrial Discharge Any introduction into the Sewage Collection System of a non-domestic Pollutant which:
 - a. Is produced by a source which would be subject to any Categorical Standards or Pretreatment Requirements if such source were to be discharged to the collection and treatment systems, or
 - b. Contains any substance or Pollutant for which a discharge limitation or prohibition has been established by any Categorical Standard or Pretreatment Requirement.

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- 21. <u>Industrial Discharge Service Agreement</u> The separate agreement required by this Rule between the Company and an individual Industrial User specifying the terms and conditions under which the Industrial User may discharge Industrial Wastes into the Sewage Collection System.
- 22. Industrial User This term includes:
 - a. A source of Industrial Discharge;
 - b. Any nonresidential user of the Sewage Collection System which discharges more than the equivalent strength of 25,000 gallons per day of domestic wastes.
 - c. Any Significant Industrial User;
 - d. A person who has control over the disposal of a waste as described in (a), (b) or (c) above; or
 - e. A person who has the right of possession and control over any property which produces a waste as described in (a), (b), (c) or (d) above.
- 23. <u>Industrial Waste</u> Any liquid, free-flowing waste resulting from any industrial or manufacturing process or from the development, recovery or processing of natural resources, with or without suspended solids, excluding Non-contact Cooling Water or other uncontaminated water.
- 24. <u>Instantaneous Maximum Effluent Limitation</u> The maximum allowable concentration of a Pollutant in the Discharge at any time as measured in a Grab Sample. In determining compliance, Company samples shall not be combined with non-company samples.
- Interference A Discharge which, alone or in conjunction with a Discharge or Discharges from other sources, both:
 - a. Inhibits or disrupts the POTW, its treatment processes, or operations, or its sludge processes, use or disposal; and
 - b. Therefore is a cause of a violation of any requirement of any environmentally related permit issued by a governmental entity to the Company (including an increase in the magnitude or duration of a violation) or of the prevention of sewage sludge use or disposal in compliance with the following statutory provisions and regulations or permits issued thereunder (or more stringent state or local regulations): Section 405 of the Clean Water Act; the Solid Waste Disposal Act (SWDA) (including Title 11, more commonly referred to as the Resource Conservation and Recovery Act (RCRA), and including state regulations contained in any state sludge management plan prepared pursuant to Subtitle D of the SWDA); the Clean Air Act; the Toxic Substances Control Act; and the Marine Protection, Research and Sanctuaries Act.

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- 26. National Pretreatment Standard Any regulation containing pollutant discharge limits promulgated by the United States Environmental Protection Agency in accordance with Section 307(b) and (c) of the Clean Water Act (33 U.S.C. Section 1317(b) and (c)) which applies to industrial users. This term includes prohibitive discharge limits established pursuant to 40 CFR 403.5.
- 27. Non-contact Cooling Water Cooling Water that does not come into direct contact with any raw material, intermediate product, waste product or finished product.
- 28. NPDES Permit A national pollutant discharge elimination system permit, issued by the EPA or authorized delegate, which imposes federal standards governing the quality of the treated effluent discharged from the POTW.
- 29. Oil and Grease The measure of oil and grease content of a sample as determined by EPA Method 413.1, or other equivalent test method approved by the Company.
- 30. Oil and Grease (TPH) The measure of petroleum and mineral oil content of a sample as determined by EPA method 418.1, or other equivalent test method approved by the Company.
- 31. Pass Through A Discharge which exits the POTW into waters of the United States in quantities or concentrations which, alone or in conjunction with a Discharge or Discharges from other sources, is a cause of a violation of any requirement of the POTW NPDES Permit (including an increase in the magnitude or duration of a violation) or which causes or contributes to a violation of an applicable numeric or narrative water quality standard.
- 32. Person Any individual, partnership, co-partnership, firm, company, corporation, association, joint stock company, trust, state, municipality, Indian tribe, political subdivision of the state or federal governmental agency or any other legal entity, including their legal representatives, agents or assigns.
- 33. pH The logarithm of the reciprocal of the concentration of hydrogen ions in grams per liter of solution.
- 34. Pollutant Any dredged spoil, solid waste, incinerator residue, sewage sludge, munitions, chemical wastes, biological materials, radioactive materials, heat, wrecked or discharged equipment, rock, sand, cellar dirt, or industrial, municipal or agricultural wastes.
- 35. Pretreatment The physical, chemical, biological or other treatment of any Industrial Wastes prior to Discharge to the POTW, for the purpose of:
 - Reducing the amount or concentration of any Pollutant;
 - Eliminating the Discharge of any Pollutant: or
 - c. Altering the nature of any Pollutant characteristic to a less harmful state.

ISSUED:

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

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- 36. Pretreatment Requirements All of the duties or responsibilities imposed upon Industrial Users by this Rule.
- 37. POTW (Publicly Owned Treatment Works) The treatment works, including connecting sewer collection system. which provides Wastewater collection, treatment and disposal services.
- 38. Properly Shredded Garbage Garbage that has been shredded to such a degree that all particles will be carried freely under the flow conditions normally prevailing in public sewers, with no particle greater than one-fourth of an inch in any dimension.
- 39. Representative Sample A Composite Sample obtained by flow-proportional sampling techniques where feasible. Where flow-proportional sampling is infeasible, the Company may allow or conduct composite sampling by time proportional techniques or by averaging one or more Grab Samples. "Representative Sample" does not include a composite sample comprised of both company and non-company samples.
- 40. Sewage A combination of water-carried wastes from residences, business buildings, institutions, and industrial establishments, together with such ground, surface, and storm waters as may be incidentally present.
- 41. Sewage Collection System All the pipes and conveyances owned and/or controlled by the Company that collects and/or transports sewage for disposal to the POTW or the Company's treatment works.
- 42. Sewage Works All facilities for collecting, pumping, treating, and disposing of Sewage, including the Sewage Collection System and the POTW, as defined herein.
- 43. Significant Industrial User This term includes:
 - a. Users having Discharges subject to Categorical Standards; and
 - b. Any other User that:
 - i. discharges an average of twenty-five thousand (25,000) gallons per day or more of Industrial Waste to the Sewage Collection System;
 - ii. contributes Industrial Waste which makes up five percent (5%) or more of the average dry weather hydraulic or organic capacity of the POTW treatment plant(s); or
 - iii. regardless of Customer classification, is designated by the Company on the basis that it has a reasonable potential for adversely affecting the POTW's operation or for violating any Pretreatment Requirement.

ISSUED:

September 15, 2015

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- 44. Significant Noncompliance An Industrial User is in a state of Significant Noncompliance when violations meet one or more of the following criteria:
 - a. Chronic violation of the discharge limits established by this Rule, defined here as those in which sixty-six percent or more of all of the measurements taken during a six-month period exceed (by any magnitude) the Daily Average Effluent Limitation set forth in this Rule for the same pollutant;
 - b. Technical review criteria (TRC) violations, defined here as those in which thirty-three percent or more of all of the measurements for each Pollutant taken during a six-month period equal or exceed the product of the Daily Average Effluent Limitation set forth in this Rule multiplied by the applicable TRC (TRC= 1.4 for BOD, TSS, fats, oil and grease, and 1.2 for all other pollutants except pH);
 - c. Any other violation of a Pretreatment Requirement that the Company determines has caused, alone or in combination with other Discharges, Interference, Pass Through, or endangerment to the health of Sewage Works personnel or general public;
 - d. Any Discharge of a Pollutant that has caused imminent endangerment to human health, welfare or to the environment or has resulted in the POTW's exercise of its emergency authority to halt or prevent such a Discharge;
 - e. Failure to meet, within ninety (90) days after the schedule date, a compliance schedule milestone contained in a permit or enforcement order for starting construction, completing construction, or attaining final compliance;
 - Failure to provide, within thirty (30) days after the due date, required reports such as baseline monitoring reports, ninety (90) day compliance reports, periodic self-monitoring reports, and reports on compliance with compliance schedules;
 - g. Failure to accurately report noncompliance; or
 - h. Any other violation or group of violations which the Company determines will adversely affect the operation or implementation of the local pretreatment program.
- 46. Sludge Discharge Any discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch discharge.
- 47. Standard Industrial Classification (SICI A coded classification of industries based upon economic activity developed by the U.S. Department of Commerce as published in the Standard Industrial Classification Manual, 1972, Office of Management and Budget.

ISSUED:

<u>September 15, 2015</u>

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- 48. Standard Methods The procedure as described in the most current edition of Standard Methods for the Examination of Water and Wastewater published by the American Health Association, or the most current edition of Manual of Methods for Chemical Analysis of Water and Wastes published by the U.S. Environmental Protection Agency.
- 49. Total Organic Carbon (TOC) The total of all organic compounds expressed in milligrams per liter as determined by the combustion-infrared method prescribed by Approved Laboratory Procedures.
- 50. Total Suspended Solids (TSS) Solids measured in milligrams per liter that either float on the surface of or are in suspension in water, Wastewater or other liquids and which are largely removable by a laboratory filtration device, as defined in the Standard Methods.
- 51. Upset An exceptional incident in which there is unintentional and temporary noncompliance with Pretreatment Requirements because of factors beyond the reasonable control of the Industrial User, excluding noncompliance due to such factors as operational error, improperly designed or inadequate treatment facilities, lack of preventative maintenance, or careless or improper operation.
- 52. <u>User</u> Any person, lot, parcel of land, building, premises, municipal corporation or other political subdivision that discharges, causes or permits the Discharge of Wastewater into the Sewage Collection System.
- 53. Wastewater Any liquid or pollutant, including an Industrial Discharge, which is introduced into the Sewage Collection System from any source.
- 54. Zero Industrial Discharge User A user that only discharges domestic wastewater or has no discharge, but has significant quantities of hazardous materials or high strength wastes which, if discharged, would be regulated by this rule. Such user may be regulated by requiring it to maintain zero discharge of industrial wastes, allowing only domestic wastewater to be discharged.

C. INDUSTRIAL WASTE DISCHARGE REQUIREMENTS

- 1. Except as provided herein, no Industrial User shall discharge or cause to be discharged any of the following described water or wastes to the Sewage Collection System:
 - a. Any storm water, surface water, ground water, roof run-off, subsurface drainage. Cooling Water or unacceptably treated Industrial Waste:
 - b. Any Discharge at a temperature greater than 150°F as measured at the point of entry into the Sewage Collection System or at a temperature which could inhibit biological activity, cause Interference of mechanical or biological treatment processes, or cause the temperature of the influent at the POTW to exceed 104°F;

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RULE NO. 10 (Continued) USE OF SANITARY SEWERS BY INDUSTRIAL DISCHARGERS

- c. Any gasoline, naphtha, fuel oil or other flammable or explosive liquid, solid, or gas;
- d. Any Garbage other than Properly Shredded Garbage:
- e. Any ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastic, wood, grit, such as brick, cement, carbides, or any other solids or viscous substances capable of causing obstruction to the flow in the Sewage Collection System or other Interference with the proper operation of the Sewage Works;
- f. Any water or Wastewater which contains a toxic, poisonous, or corrosive substance in sufficient quantities to cause or have the potential to cause interference with any Sewage treatment process. constitutes hazard to humans or animals, or creates any hazard in the receiving waters of the POTW:
- g. Any water or Wastewater containing any Pollutant released at a flow rate and/or Pollutant concentration that will cause Interference at the POTW or the Company's treatment works:
- h. Any noxious or malodorous gas or substance capable of creating a public nuisance;
- Any waste which may contain more than one hundred (100) parts per million by weight of fats, oils, or grease in such quantities so as to require special handling;
- Any surface active chemical which would tend to lower the surface tension between liquids, such as between acid and water; any surface active agents used in detergents to cause lathering, the volume or concentration of which would cause excessive foaming in the Sewage Works;
- k. Any water or Wastewater that causes a Pass-Through resulting in the POTW violating any NPDES Permit requirement or that causes an obstruction to the flow in the sewage collection system or other interference with the proper operation of the sewage works. Such wastes include petroleum oil, non-biodegradable cutting oil products, or mineral oil origin in amounts that will cause Interference or Pass Through;
- Any waste having a pH less than 5.0 or greater than 10.5 or having any corrosive or detrimental characteristics that may cause injury or damage to Wastewater treatment or maintenance personnel, structures, equipment, or other physical facilities of the Sewage Works.
- m. For significant industrial users, any water or Wastewater with Pollutant concentrations in excess of the following Daily Average Effluent Limitations (expressed in the total form unless otherwise stated; μg/l micrograms per liter, mg/l = milligrams per liter);

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RULE NO. 10 (Continued) USE OF SANITARY SEWERS BY INDUSTRIAL DISCHARGERS

PARAMETER	EFFLUENT LIMITATION (daily average)	PARAMETER	EFFLUENT LIMITATION (daily average)
Arsenic	1 00, μg/l	Mercury	4.6 μg/l
Boron	5600, μg/l	Nickel	5000 μg/l
Cadmium	47, μg/l	Oil & Grease (TPH)	100 mg/l
Chromium	1400, μg/l	Selenium	100 μg/l
Copper	1700, μ g /l	Silver	500 μg/l
Cyanide	2000, μg/l	Sulfides	10.0 μg/l
Lead	500 μg/l	Zinc	5400 μg/l

In determining compliance with a daily average effluent limitation, company samples shall not be combined with non-company samples.

- n. When necessary in the opinion of the Company, any Water or Wastewater with BOD or TSS concentrations in excess of the following limits:
- a. 24-hour average 5-day BOD of 250 ml/l by weight; and
- b. Instantaneous Maximum TSS content of 500 ml/l by weight.
- o. Any water or wastewater with pollutant concentrations in excess of the following instantaneous maximum effluent limitations (expressed in the total form unless otherwise stated; μ G/L = Micrograms per Liter, mg/l = Milligrams per Liter):

PARAMETER	EFFLUENT LIMITATION (INSTANTANEOUS MAXIMUM)
Benzene	130 μG/L
Chloroform	420 μG/L
Cyanide (amenable to chlorination)	200 μG/L
Methylene Chloride	4,200, μG/L
Sulfides (dissolved)	0.5 MG/L
Tetrachloroethylene	530 μG/L
Trichloroethylene	700 μG/L

p. Any of the following prohibited substances:

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RULE NO. 10 (Continued) USE OF SANITARY SEWERS BY INDUSTRIAL DISCHARGERS

- i. BHC - Alpha
- BHC Beta ii.
- BHC Gamma (Lindane) iii.
- iv. Chrysene
- Heptachlor ٧.
- vi. Heptachlor Epoxide
- vii. Phenanthrene
- Polychlorinated Biphenyl Compounds viii.
- q. Any water added for the purpose of diluting a Discharge as a partial or complete substitute for adequate treatment to achieve compliance with a Daily Average Effluent Limitation or other limit established by this Rule.
- r. Any waste requiring an excessive quantity of chlorine or other chemical compound used for disinfection purpose which would result in an excess of 0.05 mg/l residual at the headworks of the POTW or the Company's treatment works.
- s. Any waste or dye producing excessive discoloration of Wastewater or POTW's or the Company's treatment works effluent.
- Any quantities of radioactive material wastes.
- u. Any substance which creates a fire or explosive hazard in the POTW or the Company's treatment works, including but not limited to Discharges with a closed-cup flashpoint of less than 140°F or 60°C as determined by the Pensky-Martens Standard D-93-79 or D-93-80, or the Setaflash Standard D-3278-78, or an equivalent test method approved pursuant to 40 CFR §§ 260.20 and 260.21.
- v. Any hauled wastes, including Industrial Wastes.
- Industrial users are required to meet all applicable local, state, and federal discharge limits for any regulated Pollutant. Upon the effective date of any federal categorical pretreatment standards, as published in 40 CFR Chapter 1, Subchapter N, for a particular industrial category or subcategory, the federal standards, if more stringent than the limitations imposed under this rule, shall immediately supersede those limitations.
- In addition to all other requirements, each Industrial User who discharges an Industrial Discharge into the Sewer Collection System shall also:
 - a. Provide all the Pretreatment necessary to comply with Categorical Standards and Pretreatment Requirements;
 - b. Maintain a continuous Discharge record which clearly identifies:

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RULE NO. 10 (Continued) USE OF SANITARY SEWERS BY INDUSTRIAL DISCHARGERS

- i. the dates and times of all Industrial Discharges; and ü. the chemical nature, concentration, and volume of all such Industrial Discharges:
- Provide the Company with all the same self-monitoring reports and notices that the Industrial User would be required to submit if it discharged directly to the POTW in accordance with the provisions of 40 CFR 403.12. In particular, the Industrial User shall submit to the Company:
 - i. Baseline Monitoring Reports (40 CFR 403.12 (b)): ii. Compliance Schedule Progress Reports (40 CFR 403.12 (c)); iii. Reports on compliance with Categorical Pretreatment Standard Deadline (40 CFR 403.12 (d)); İ۷. Periodic reports on Continued Compliance (40 CFR 403.12 (e), (H)): Notice of potential problems, including Slug Discharges (40 CFR ٧. 403.12 (f)); Vİ. Notification of changed Discharge (40 CFR 403.12 0)); and vii. Notification of hazardous waste Discharge (40 CFR 403.12(p).
- d. Ensure that all reports and any other documents relating to Industrial Discharges are signed by an authorized representative of the Industrial User in accordance with 40 CFR 403.12 (1):
- e. Retain for a minimum of three (3) years any records of monitoring activities and results; such records shall be available for inspection and copying by the Company:
- Develop a Slug Discharge control plan which outlines discharge practices (including non-routine batch discharges), describes stored chemicals, and contains procedures both to notify the Company immediately of Slug Discharges and to prevent adverse impacts from any accidental spill, and
- g. To the extent necessary, develop in conjunction with the Company a compliance schedule for installation of equipment.
- An Industrial User shall, at its expense, install such Pretreatment devices or systems necessary to treat Industrial Wastes so as not to cause violation of any Daily Average Effluent Limitation or other limit set forth in this Rule prior to discharge to the Sewage Collection System. Such a Pretreatment system or device may serve to:
 - Restrict or prevent the discharge of certain Pollutants;
 - b. Distribute over a longer period any peak discharge of Industrial Wastes; and/or\
 - c. Reduce the concentration of a Pollutant regulated herein to a level equal to or less than the established discharge limitation.

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- All Pretreatment systems or devices shall be approved by the Company and, if required, the Arizona Department of Environmental Quality (ADEQ). All Pretreatment systems shall require an engineering design and have plans prepared and stamped by an engineer of suitable discipline licensed in the State of Arizona. Plans, specifications, and any other pertinent information relating to proposed preliminary treatment facilities shall be submitted to the Company and to all appropriate regulatory agencies with jurisdiction for review and approval. No construction of such facilities shall begin until such approvals are obtained in writing. Purchase and installation of any required Pretreatment system or device shall be at the expense of the Industrial User.
- 6. A grease, oil, and sand interceptor shall be provided when necessary, in the opinion of the Company, for the proper handling of liquid wastes containing grease, flammable wastes, sand, and other harmful ingredients in excessive amounts, except that such interceptor shall not be required for a building used for residential purposes. All interceptors shall be of a type and capacity approved by the Company, and shall be so located as to be readily and easily accessible for cleaning and inspection. The Industrial User shall maintain service records for the Company's review showing date of service and type of service performed for each grease, oil, and sand interceptor installed, Such records shall be retained for a minimum of three (3) years.
- All grease, oil, and sand interceptors shall be purchased, installed, and maintained in continuously efficient 7. operation at the Industrial User's expense.
- The Company may also require the installation of a pH probe with a recorder at a point prior to any Industrial Discharge entering the Sewage Collection System. This device shall be properly installed and maintained by the Industrial User at its expense.

MAINTENANCE OF FACILITIES D.

Where Pretreatment facilities are provided for any waters or wastes, they shall be maintained continuously in satisfactory and effective operation by the Industrial User at its own expense and subject to inspection by the Company.

E. **MANHOLES**

When required by the Company, the owner of any property served by a building sewer carrying Industrial Wastes shall install a suitable control manhole in the building sewer to facilitate observation and sampling of wastes. The manhole shall be installed in such a manner as to prevent the Discharge of any storm water, surface water, ground water, roof run off, Cooling Water or unapproved industrial process water. Such a manhole, when required, shall be accessible and safely located and shall be constructed in accordance with plans approved by the Company. The manhole shall be installed by the owner at his expense and shall be maintained by him so as to be safe and accessible at all times. Should the Company determine an existing manhole is suitable for use as a control manhole, the Company shall make such designation and a new control manhole shall not be required.

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RULE NO. 10 (Continued) USE OF SANITARY SEWERS BY INDUSTRIAL DISCHARGERS

F. **TESTS AND ANALYSES**

- 1. All tests and analyses of the characteristics of waters and wastes shall be determined in accordance with Approved Laboratory Procedures, and shall be determined at the control manhole provided for in the preceding section and upon Representative Samples taken at such control manhole. All sampling, analyses and flow measurements of Industrial Wastes shall be performed by an independent laboratory or by the laboratory of the Industrial User approved by the Company and licensed by the Arizona Department of Health Services. Prior to submittal to the Company of data developed in the contracted laboratory of an industrial User, the results shall be certified by a responsible administrative official of the Industrial User.
- 2. Those Industrial Users required to make periodic measurements of flow volumes and constituents shall do so at a frequency and in such a manner as determined by the Company. Measurements to certify the quantities of waste flows and waste constituents reported by Industrial Users will be conducted on a random basis by personnel of the Company.

INDUSTRIAL DISCHARGE SERVICE AGREEMENT G.

- 1. Each Industrial User who proposes to begin a new Industrial Discharge or modify an existing Industrial Discharge into the Sewer Collection System shall:
 - a. Submit to the Company a completed Industrial Discharge Questionnaire, the form and content of which will be provided by the Company to the Customer.
 - b. Test the proposed Industrial Waste Discharge for the presence of Pollutants for which Daily Average Effluent Limitations are established by this Rule and provide the Company with such test results from an Arizona Department of Health Services licensed laboratory. The proposed Industrial Waste discharge also shall be tested for pH, BOD, and TSS concentration.
 - c. If the Industrial User is a Significant Industrial User, provide such additional information as necessary AND enter into an Industrial Discharge Service Agreement with the Company, substantially in the form attached as Exhibit A to this Rule:
- 2. Industrial Users in existence upon the effective date of this Rule shall complete and submit an Industrial Discharge Questionnaire for evaluation by the Company within forty-five (45) days after the effective date of this Rule. Significant Industrial Users in existence upon the effective date of this Rule must execute an Industrial Discharge Service Agreement within ninety (90) days of the effective date of this Rule.

PRETREATMENT PROGRAM ENFORCEMENT AND RESPONSE GUIDELINES Н.

1. The goal of the Pretreatment program is to protect the environment, public, and both Company and POTW workers and to obtain compliance with all applicable laws and regulations by those regulated dischargers into the POTW.

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RULE NO. 10 (Continued) **USE OF SANITARY SEWERS BY INDUSTRIAL DISCHARGERS**

- 2. Violation of this Rule or of any provision of an Industrial Discharge Service Agreement is cause for termination of service or other appropriate Enforcement Response, as defined below.
- 3. "Enforcement Response" shall include but is not limited to the following:
 - a. Inspection by the Company of an Industrial User's Facility;
 - Notice of violation;
 - Increased monitoring and testing;
 - Report of violations to ADEQ and/or EPA;
 - Termination of service with notice, pursuant to applicable Arizona Corporation Commission rules;
 - Termination of service without notice, pursuant to applicable Arizona Corporation Commission rules; and/or
 - Any and all remedies specifically provided in the Industrial Discharge Service Agreement.
- 4. In determining the appropriate Enforcement Response the Company shall consider the following factors:
 - a. Consideration of previous compliance history;
 - b. Length of violation;
 - Number of violations;
 - d. Seriousness of effects to the Sewage Works;
 - e. Potential effects to the public health; and
 - Any other relevant factors.
- Violation of this rule could result in enforcement or other legal action against the Industrial 5. User by the Arizona Department of Environmental Quality and/or the U.S. Environmental Protection Agency. These entities are authorized by law to impose monetary penalties of up to \$25,000 per day per violation.

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RULE NO. 10 (Continued) USE OF SANITARY SEWERS BY INDUSTRIAL DISCHARGERS

PUBLICATION OF NONCOMPLIANCE LIST

At least annually, the Company, itself or in cooperation with the POTW, shall publish in the largest local newspaper of general circulation a list of all Industrial Users which at any time during the previous twelve (12) month period were in Significant Noncompliance. In addition, the Company shall provide to the POTW all information necessary to reflect Industrial Users subject to this Rule in its annual report to EPA required by 40 CFR 403.12(i).

J. LIABILITY OF USER

Any residential or commercial user, or Industrial User who causes the discharge of Industrial Wastes which results in damage to either the POTW or the wastewater collection system, Interference, Pass Through, Upset, or any other damages resulting in costs to the POTW or the wastewater collection system, shall be liable to the owner of the POTW or the wastewater collection system, as appropriate, and shall indemnify and hold the Company harmless for all damages occasioned thereby.

K. INSPECTION AND MONITORING

- 1. Industrial Users shall provide the Company with Free Access in order to monitor compliance with Pretreatment Requirements. The Company may, in furtherance of the stated purpose and policy of this Rule:
 - a. Enter the User's premises at reasonable times;
 - b. Inspect generally for compliance;
 - c. Take independent samples;
 - d. Require installation of monitoring equipment; and
 - e. Inspect and copy records.

L. ACCESS TO INFORMATION AND CONFIDENTIALITY

1. Reports, documents, testing and sampling data, and any other information required to be submitted to the Company pursuant to Rule 10 or the Industrial Discharge Service Agreement may be claimed as confidential by the Customer, if the Customer is able to demonstrate to the satisfaction of the Company that the release of such information would divulge information entitled to protection as trade secrets of the Customer. Any claim of confidentiality must be asserted at the time of submission by stamping the words "Confidential Business Information" on each page containing such information. If no claim is made at the time of submission, the Company may make the information available to the public without further notice.

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RULE NO. 10 (Continued) USE OF SANITARY SEWERS BY INDUSTRIAL DISCHARGERS

- 2. When requested by the Customer, those portions of any reports, documents, testing and sampling data, by other information which are entitled to confidentiality under Paragraph (1) shall not be made available to the public, but shall be made available upon written request to governmental agencies for uses related to the industrial user pretreatment program established by Rule 10.
- 3. Information and data provided to the Company which is effluent data shall upon written request be available to the public.

A copy of the standard Industrial Discharge Service Agreement is displayed on Rule 10, Exhibit A.

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RULE NO. 10 EXHIBIT A

INDUSTRIAL DISCHARGE SERVICE AGREEMENT

THIS INDUSTRIAL DISCHARGE SERVICE AGREEMENT (the "Agreement") made and entered into this	day of
,2004_by and between EPCOR Water Arizona Inc. (hereinafter, the "Company") and	•
(hereinafter, the Customer).	

WITNESSETH:

WHEREAS, the Arizona Corporation Commission has issued a tariff for this District establishing the terms and conditions under which the Company may provide sewage collection service to Customers in this certificated area:

WHEREAS, Rule 10 of such tariff establishes an industrial wastewater pretreatment program to protect the environment, the public, and Company workers from hazards associated with non-domestic wastewater;

WHEREAS, Rule 10 further provides that Significant Industrial Users shall enter into individual Industrial Discharge Service Agreements with the Company proscribing the specific terms and conditions under which nondomestic, or industrial, wastewater may be discharged to the Company's sewage collection system;

WHEREAS, the Company has determined that the Customer is a Significant Industrial User within the meaning of Rule 10:

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Company and the Customer hereby mutually agree and undertake as follows:

PART I - DEFINITIONS

Capitalized terms used herein shall have the meanings set forth in this Agreement or in Rule 10.

- 1. **Bypass** The intentional diversion of wastes from any portion of a treatment facility.
- 2. Company EPCOR Water Arizona Inc., an Arizona corporation.
- 3. Composite Sample A combination of individual samples obtained at regular intervals over a specified time period no longer than twenty-four hours. The volume of each individual sample shall be either proportional to the flow rate during sample period (flow composite) or constant and collected at equal time intervals during sample period (time composite), as defined in Part 11 of this permit.
- 4. **Cooling Water** The Wastewater discharged from any heat transfer system such as condensation, air conditioning, cooling or refrigeration.
 - a. Non-Contact Cooling Water: Cooling Water that does not come into direct contact with any raw material, intermediate product, waste product or finished product.

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	EXHIBIT A (Continued)
b)	Contaminated Cooling Water: Cooling Water which may become contaminated, either through the use of water treatment chemicals used for corrosion inhibitors or biocides, or by direct contact with process materials and/or Wastewater.
5.	Customer, a(n)
6.	Daily Average Effluent Limitation - The maximum allowable concentration of a Pollutant in the Discharge as measured in a Representative Sample during a sampling day.
7.	Environmental Laws - All present and future laws and any amendments, permits, and other requirements of governmental authorities applicable to the Customer's Facility and relating to the environment, health or safety, environmental conditions. Environmental Laws includes but is not limited to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 et seq. ("CERCLA"); the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq. ("RCRA"); the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801 et seq.; the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §§ 136 to 136y; the Federal Water Pollution Control Act, as amended by the Clean Water Act, 33 U. S. C. §§ 1251 et seq.; the Clean Air Act, 42 U. S. C. §§ 7401 et seq.; the Toxic Substances Control Act, 15 U.S.C. §§ 2601-2671; the Safe Drinking Water Act, 42 U.S.C. §§ 300f-300j-26; the Emergency Planning and Community Right-To-Know Act, 42 U.S.C. §§ 101 et seq.; Title 49 of the Arizona Revised Statutes; and any regulations promulgated pursuant to such listed federal and state statutes.
0	Cach Sample An individual comple collected in less than fifteen (45) minutes without regard for flower time of

- **Grab Sample** An individual sample collected in less than fifteen (15) minutes, without regard for flow or time of day.
- 9. Instantaneous Maximum Effluent Limitation The maximum concentration of a Pollutant in the Discharge at any time as measured in a Grab Sample.
- 10. Pretreatment Requirements All of the duties or responsibilities imposed upon Industrial Users by Rule 10.
- 11. Representative Sample A Composite Sample obtained by flow-proportional sampling techniques where feasible. Where flow-proportional sampling is infeasible, the Company may allow or conduct composite sampling by time-proportional techniques or by averaging one or more Grab Samples.
- 12. TTO Total Toxic Organic Compounds as listed on Attachment 11.
- 13. Upset An exceptional incident in which there is unintentional and temporary noncompliance with Pretreatment Requirements, because of factors beyond the reasonable control of the Customer, excluding noncompliance due to such factors as operational error, improperly designed or inadequate treatment facilities, lack of preventative maintenance or careless or improper operation.

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RULE NO. 10 EXHIBIT A (Continued)

PART II - WASTEWATER DISCHARGE LIMITATIONS AND MONITORING REQUIREMENTS

A. During the term of this Agreement, the Customer may discharge Industrial Waste into the Sewage Collection System through Customer's building sewer or wastewater treatment system at the location specified below:

[insert exact location of connection, e.g., "through the 12 inch Palmer Bowles Flume receiving wastewater discharges from the facility's treatment system."]

B. The Customer agrees not to discharge Industrial Wastes to the Sewage Collection System other than that generated by the following processes or operations:

[List specific processes generating industrial waste, e.g., "electrolysis plating, chemical milling and etching, anodizing, printed circuit board manufacturing, and associated rinses.]

C. The Customer shall monitor all Industrial Wastes discharged to the Sewage Collection System. Sampling shall be performed at the sampling location depicted in Attachment 1, and samples analyzed according to Approved Laboratory Procedures for the parameters listed below. The Customer's Industrial Waste discharged to the Sewage Collection System shall not exceed the following limitations, derived from Rule 10.

(LIMITATIONS INCLUDED IN IDSA MAY VARY; SIGNIFICANT INDUSTRIAL USERS SUBJECT TO FEDERAL CATEGORICAL PRETREATMENT REQUIREMENTS SHALL COMPLY WITH THE MORE STRINGENT OF THE RULE 10 REQUIREMENT OR THE CATEGORICAL REQUIREMENT]

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RULE NO. 10 EXHIBIT A (Continued)

Effluent Limitati	Daily	Sampling	Sample(3)
Parameter	Average	Frequency	Type
Flow, gpd	xx(2)	Continuous	Metered
pH (s.u.)	Xx	Continuous	Metered
Cyanide(T(4)	Xx	3 monthly	Grab
Cadmium	Xx	3 monthly	Composite
Chromium	Xx	3 weekly	Composite
Copper	Xx	3 weekly	Composite
Lead	Xx	3 monthly	Composite
Nickel	Xx	3 monthly	Composite
Silver	Xx	3 monthly	Composite
Zinc	Xx	3 monthly	Composite
TTO(5)	Xx	2 monthly	Composite/Grab
NOTES:	1. Unless otherwise noted, all limitations are in concentration units of mg/l. [Prepare separate tables for Daily Average Effluent Limitations and INSTANTANEOUS Maximum Effluent Limitations] 2. To be determined. 3. Sample Location - Downstream of pretreatment facilities at sampling and metering vault or control manhole (see Attachment I for location). 4. Cyanide limitations apply, and monitoring shall occur downstream of Cyanide pretreatment facilities prior to combining with other flows. 5. TTO compounds to be monitored are specified in Attachment II. Monitoring requirements are specified in Part III.A.5. Grab Samples for volatile organics;		

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RULE NO. 10 EXHIBIT A (Continued)

PART III - REPORTING REQUIREMENTS

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A -	FERIUDIG		REFURI

1. All reporting, including written notifications, oral notifications, and discharge monitoring reports, required under this Agreement shall, unless otherwise specified, be addressed to:

For the Company:	For the Customer:
EPCOR Water Arizona Inc	
2355 W. Pinnacle Peak Rd.	
Suite 300	
Phoenix, Arizona 85027	
Attention: Pretreatment Officer	

- 2. The Customer shall summarize and report monitoring results on an Industrial User Monitoring Report Form once per month. Completed Industrial User Monitoring Reports shall be submitted to the Company on the 28th day of each month, and shall include the results of monitoring for the prior calendar month. This monthly report must be postmarked, or delivered to the Company's above address, no later than the due date. In the absence of a legible postmark, the Company will consider any report received within five (5) calendar days of the due date as being received on time. The first report is due on 00/00/00, and shall contain the information required for any prior calendar month for which such information has not been previously submitted. Each report should indicate the nature and concentration of all Pollutants in the Discharge which are regulated by the limits set forth in Part 11.
- 3. If the Customer monitors any Pollutant more frequently than required by this Agreement, using Approved Laboratory Procedures, the results of such monitoring shall be included in the calculation and results shall be reported in the monthly report and submitted to the Company. Such increased monitoring frequency also shall be indicated on the monthly report.
- Monitoring for Total Toxic Organics (TTO), when required by this Agreement, is to be performed for all toxic organics listed in Attachment 11 reasonably expected to be present. In lieu of monitoring for TTO, the Customer may, with the Company's approval, submit the following semi-annual certification:

"Based on my inquiry of the person or persons directly responsible for managing compliance with the Daily Average Effluent Limitation for total toxic organics (TTO), / certify that to the best of my knowledge and belief, no disposal of concentrated toxic organics into the wastewater has occurred since filing of the last semi-annual compliance report. / further certify that this facility is implementing the toxic organic management plan submitted by it to EPCOR Water Arizona Inc. on [date submitted].

This semi-annual certification is to be submitted with those monthly compliance reports due on the 28th of August and February of each year.

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RULE NO. 10 EXHIBIT A (Continued)

В. NOTIFICATION OF NONCOMPLIANCE

The Customer shall notify the Company within 24 hours of becoming aware of a Discharge which is known or suspected to be in violation with any limitation or provision of this Agreement and/or Rule 10.

During normal business hours, 8:00 am. to 4:00 p.m., the Company should be notified by telephone at 974-2521. At all other times, the Company should be notified by telephone at 974-2521, or by facsimile (FAX) at 933-0032. The notification shall include location of Discharge; date and time thereof, type of waste, including concentration and volume; and corrective actions taken.

C. WRITTEN REPORT ON NONCOMPLIANCE

Within five (5) calendar days of becoming aware of a Slug Discharge or accidental spill which results in a violation of any limitation or prohibition specified in this Agreement or Rule 10, the Customer shall submit a detailed written report to the Company specifying:

- 1. The cause of the Slug Discharge or accidental spill, and the impact on the Customer's compliance status (if the cause of the incident has not been definitively determined, the report shall propose a detailed plan and schedule describing the steps to be taken to determine the cause);
- 2. The location of the Discharge, and type, concentration, and volume of waste;
- 3. Duration of noncompliance, including exact dates and times of noncompliance, and if the noncompliance continues, the time by which compliance is reasonably expected to occur, and
- 4. All steps taken or to be taken to reduce, eliminate, and prevent other conditions of noncompliance.

AUTOMATIC RESAMPLING D.

If the results of the Customer's analysis of its Industrial Waste indicate a violation has occurred, the Customer shall repeat the sampling and Pollutant analysis, and submit to the Company, in writing, the results of such second analysis within 30 days of becoming aware of the first violation.

The Customer is not required to resample if the Company:

Performs sampling at the same sampling point for the same Pollutant at a frequency of at least once per month.

2. Obtained a sample at the same sampling point for the same Pollutant between the time the Customer performed its sampling and the time the Customer receives the results of the sampling.

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 10 EXHIBIT A (Continued)

Resamples in the Customer's behalf within 48 hours of receiving notice from the Customer of the violation.

PART IV - SPECIAL CONDITIONS/COMPLIANCE SCHEDULE [IF APPLICABLE]

A. SETTLEMENT AGREEMENT

Nothing in this Agreement shall be construed as to allow noncompliance with the provisions of Pretreatment Settlement Agreement No. 00000, dated and effective as of 00/00/00 between the Company and the Customer.

B. COMPLIANCE SCHEDULE

The compliance schedule incorporated into the above referenced agreement, and as may be amended subject to the provisions of the agreement, is hereby made an enforceable condition for compliance with this Agreement.

PART V - STANDARD CONDITIONS

A. GENERAL CONDITIONS AND DEFINITIONS

1. Term of the Agreement

This Agreement shall operate for an initial term of five (5) years beginning on the date stated above, unless sooner terminated in accordance with the provisions hereof. This Agreement may be renewed by the Customer upon written notice to the Company in accordance with paragraphs 11 and/or 12 below.

2. Severability

The provisions of this Agreement are severable. If any provision of this Agreement, or the application of any provision of this Agreement to any circumstances, is held invalid, the application of such provision to other circumstances and the remainder of this Agreement shall not be affected thereby.

3. Duty to Comply

The Customer must comply with all conditions of this Agreement. Failure to comply with the requirements of this Agreement shall be grounds for termination of service or other appropriate Enforcement Response, as determined by the Company pursuant to Rule 10.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

Month E

Day Year

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 10 EXHIBIT A (Continued)

4. Duty to Mitigate

The Customer shall, at his sole cost and expense, take all reasonable steps to minimize or correct any adverse impact on the environment resulting from noncompliance with this Agreement, including such accelerated or additional monitoring as necessary to determine the nature and impact of any noncomplying Discharge.

5. Amendment of Agreement

This Agreement may be modified for good cause, including, but not limited to, the following:

- 1. New or revised federal, state, or local pretreatment standards or requirements:
- 2. Material or substantial alterations or additions to the Customer's operation or processes which are not covered in this Agreement;
- 3. A change in any condition that requires either a temporary or permanent reduction or elimination of the authorized Discharge:
- 4. Upon reasonable request of the Customer, provided that granting such request does not create a violation of any existing applicable requirements, standards, laws, or rules and regulations. A request by the Customer for a permit modification, or a notification of planned changes or anticipated noncompliance, does not stay any provision in this Agreement.
- 6. Company's Right of Termination Upon Customer's Default
 - 1.In the event that at any time during the term of this Agreement the Customer shall:
 - Discharge Industrial Wastes such that the Discharge poses a threat to the Company's collection or treatment systems, the POTW, wastewater treatment plant personnel, to the receiving waters, or will adversely impact the environment:
 - ii. Knowingly making any false statement on any report or other document required by this Agreement or Rule 10, or knowingly rendering any monitoring device or method inaccurate;

[List additional violations that shall be cause for termination of the Agreement]

and any such failure or violation is not commenced to be cured within fifteen (15) days after the date the Company serves written notice of default or violation on the Customer pursuant to paragraph V.A.5.a above, and the default is not cured in a diligent manner within a reasonable period of time after commencement, then the Company may, at its

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

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RULE NO. 10 EXHIBIT A (Continued)

option and in addition to any remedy provided for in this Agreement, terminate the Agreement by written notice to the Customer of its intention to do so.

- 2. No act by or on behalf of the Company shall constitute a termination unless the Company gives the Customer notice of termination in writing. Such termination shall not relieve or release the Customer from any obligation incurred pursuant to this Agreement prior to the date of such termination.
- 3. Termination of the Agreement under this paragraph shall not relieve the Customer from the obligation to pay any sum due to the Company or from any claim for damages against the Customer. The right of termination provided by this paragraph is not exclusive and shall be cumulative to all other rights and remedies possessed by the Company, and nothing contained herein shall be construed so as to defeat any other rights or remedies to which the County may be entitled.

7. Property Rights

This Agreement does not convey any property rights of any sort, or any exclusive privileges. Nor does it authorize any injury to private property or any invasion of personal rights, or any infringement of federal, state, or local laws or regulations.

8. Limitation on Transfer

This Agreement relates to a specific user for a specific operation, and is not assignable to another user or transferable to any other location. Prior to the effective date of sale or transfer of ownership of its Facility, the Customer must inform the purchaser or transferee of its obligation to enter into an Industrial Discharge Service Agreement, and provide written notification to the Company.

9. Duty to Reapply

If the Customer wishes to continue an activity authorized by this Agreement after the expiration of its term, the Customer must renew this Agreement or enter into a new Agreement. The request for renewal must be submitted at least 60 calendar days before the expiration of the term of this Agreement, unless the parties mutually agree to an extension of time.

10. Automatic Extension of Permit

Subject to the Company's right to amend, modify, or terminate this Agreement, it shall continue to remain in full force and effect after the date of expiration if the Customer has applied for a renewal in accordance with Part V A. 11., and the Company fails to execute a new Agreement prior to the expiration date.

ISSUED:

September 15, 2015

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EFFECTIVE: September 1, 2015

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Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 10 EXHIBIT A (Continued)

11. Dilution

The Customer shall not increase the use of potable or process water, or in any way attempt to dilute an Industrial Waste as a partial or complete substitute for adequate treatment to achieve compliance with the limitations set forth in this Agreement. Any attempt to use dilution, as stated above, shall result in immediate termination of this Agreement.

12. Adverse Impact

The Customer shall take all reasonable steps to minimize any adverse impact to the POTW or the Company's treatment works resulting from noncompliance with any discharge limitation specified in this Agreement, including such accelerated or additional monitoring as necessary to determine the nature and impact of the noncomplying Discharge. The Customer shall immediately notify the Company of Slug Discharges, spills that may enter the public sewer, or any other significant changes in operations, wastewater characteristics, and constituents.

13. General Prohibitive Standards

The Customer shall comply with all the general prohibitive discharge standards in Rule 10.

14. Indemnification

The Customer will indemnify and save harmless the Company, its officers, agents, servants, and employees, from and against any and all suits, actions, legal proceedings, claims, demands, costs, orders (including consent and clean-up orders) and expenses (including engineering and attorneys' fees) pertaining to its Discharge of Industrial Wastes and due to (i) personal injury, including death or disease, and property damage, including environmental contamination, (ii) any violation of Environmental Laws, and/or (iii) any breach or violation of this Agreement by Customer. The provisions of this paragraph shall survive the expiration or termination of this Agreement.

B. OPERATION AND MAINTENANCE OF POLLUTION CONTROLS

1. Proper Operation and Maintenance

The Customer shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the Customer to achieve compliance with the provisions of this Agreement and Rule 10. Proper operation and maintenance includes, but is not limited to: effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back-up or auxiliary facilities or similar systems only when necessary to comply with this Agreement and/or Rule

ISSUED:

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Month Day Year Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 10 EXHIBIT A (Continued)

2. Duty to Halt or Reduce Activity

Upon reduction, loss, or failure of the treatment facility, the Customer shall, to the extent necessary to maintain compliance with this Agreement, control production or all Discharges, or both, until operation of the treatment facility is restored or an alternative method of treatment is provided. This requirement applies, for example, when the primary source of power of the treatment facility fails or is reduced. IT SHALL NOT BE A DEFENSE FOR THE CUSTOMER IN AN ENFORCEMENT ACTION THAT IT WOULD HAVE BEEN NECESSARY TO HALT OR REDUCE THE DISCHARGING ACTIVITY IN ORDER TO MAINTAIN COMPLIANCE WITKTHE CONDITIONS OF THIS AGREEMENT.

3. Bypass of Treatment Facilities

- a. BYPASS IS PROHIBITED under this Agreement unless it is unavoidable to prevent loss of life, personal injury, or severe property damage or no feasible alternatives exist.
- b. Bypass not exceeding limitations: The Customer may allow any bypass to occur which does not cause effluent limitations to be exceeded, but only if it is also for essential maintenance to assure efficient operation.
- c. Notification of Bypass:
 - i. Anticipated Bypass: If the Customer knows in advance of the need for a bypass, it shall submit prior written notice, at least 10 days before the date of the bypass, to the Company. All anticipated Bypasses must be monitored and metered.
 - ii. Unanticipated Bypass: The Customer shall immediately notify the Company of any unanticipated Bypass and submit a follow-up written report to the Company within five (5) days. This report shall specify:
 - 1. A description of the Bypass, and its cause, including its duration;
 - 2. Whether the Bypass has been corrected; and
 - 3. The steps being taken or to be taken to reduce, eliminate and prevent reoccurrence of the Bypass.

4. Removed Substances

Solids, sludges, filter backwash, or other Pollutants removed by the Customer in the course of treatment or control of Wastewater shall be disposed of in accordance with Environmental Laws.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

Month Day Year Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 10 EXHIBIT A (Continued)

C. **MONITORING AND RECORDS**

1. Representative Sampling

Samples and measurements taken as required herein shall be Representative Samples. All samples shall be taken at the monitoring points specified on Attachment I to this Agreement, and, unless otherwise specified. before the Discharge joins or is diluted by any other wastestream, body of water, or substance. All equipment used for sampling and analysis must be routinely calibrated and inspected and maintained to ensure their accuracy. Monitoring points shall not be changed without notification to, and the approval of, the Company. The Customer shall maintain records of routine equipment calibrations, maintenance activities, and inspections.

Flow Measurements

If flow measurement is required by this Agreement, the appropriate flow measurement devices and methods consistent with approved scientific practices shall be selected and used by the Customer to ensure the accuracy and reliability of measurements of the volume of monitored discharges. The devices shall be installed, calibrated, and maintained to ensure that the accuracy of the measurements are consistent with the accepted capability of that type of device. Devices selected shall be capable of measuring flows with a maximum deviation of less than 10 percent from true discharge rates throughout the range of expected discharge volumes.

3. Inspection and Entry

The Customer shall allow the Company, or an authorized representative, upon the presentation of credentials and other documents as may be required by law, to:

- have safe access to any areas of the Facility that will be inspected by the authorized representative;
- b. enter at any time during normal hours of operation upon the Customer's premises where the Facility or activity is located or conducted, or where records must be kept under the provisions of this Agreement:
- c. have access to and copy, at reasonable times, any records that must be kept under the provisions of this Agreement:
- d. inspect, at reasonable times, any facilities, equipment (including monitoring and control equipment), practices, or operations subject to this Agreement;
- e. sample or monitor, for the purposes of assuring compliance with this Agreement, any substances or parameters at any location; and
- inspect any production, manufacturing, fabricating, or storage area where Pollutants could originate.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year Month Day Year

RULE NO. 10 EXHIBIT A (Continued)

4. Retention of Records

- a. The Customer shall retain records of all monitoring information, including all calibration and maintenance records, and any original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this Agreement, and records of any data used to complete the Industrial Waste Questionnaire required by Rule 10, for a period of at least three (3) years from to date of the sample, measurement, report, or questionnaire. This period may be extended by request of the Company at any time.
- b. All records that pertain to matters that are the subject of special orders, or any other enforcement or litigation activities brought by the Company or other appropriate agency, shall be retained and preserved by the Customer until all such activities have concluded, and all periods of limitation with respect to any and all appeals have expired.

Record Contents

Records of sampling information shall include:

- a. The date, exact place, time, and methods of sampling or measurements, and sample preservation techniques or procedures;
- b. The names of persons who performed the sampling or measurements;
- The date(s) analyses were performed;
- d. The names of persons who performed the analyses;
- The analytical techniques or methods used; and
- The results of such analyses.

D. ADDITIONAL REPORTING REQUIREMENTS

1. 90-Day Compliance Report [if applicable]

Within 90 days following the final compliance date listed on the compliance schedule specified in Part III of this Agreement, the Customer shall submit a final compliance report. The Customer shall sample its Wastewater for the Pollutants specified in Part 11, and shall report the results of such sampling. Any reasons for not complying and steps being taken by the User to comply shall be part of the report.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 10 EXHIBIT A (continued)

2. Planned Changes

The Customer shall give notice to the Company not less than 90 days prior to any Facility expansion, production increase, or process modifications which results or may result in new or increased Discharges or a change in the nature of the Discharge.

3. Anticipated Noncompliance

The Customer shall give advance notice to the Company of any planned changes in the Facility, or activity which may result in noncompliance with the requirements of this Agreement.

4. Duty to Provide Information

The Customer shall furnish to the Company, within a reasonable time, any information which the Company may request to determine whether cause exists for modifying or terminating this Agreement, or to determine compliance with this Agreement. The Customer shall also furnish to the Company upon request, copies of records required to be kept by this permit or other information reasonably needed by the Company.

5. Signatory Requirements

This Agreement and any reports required herein shall be signed by the appropriate signatory, as listed below:

- a. For a corporation: by a corporate officer or other persons performing a similar policy or decision making function for the corporation;
- b. For a partnership or sole proprietorship: by a general partner or the proprietor, respectively;
- c. For a government entity: by the administrator, chairman, director, or principal executive responsible for operations at the Facility;
- d. All applications, correspondence, reports, and self-monitoring reports may be signed by a duly authorized representative of the person described above. A person is a duly authorized representative only if
 - i. The authorization is made in writing by a person described above; or
 - ii. The authorization specified either an individual or a position having responsibility for the overall operation of the regulated facility or activity, such as the position of plant manager, superintendent, or position of equivalent responsibility. A duly authorized representative may thus be either a named individual or any individual occupying a named position;

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year

RULE NO. 10 EXHIBIT A (continued)

e.Any person signing a document pursuant to this section shall make the following certification:

- "I certify, under penalty of law, that this document and all attachments were prepared under my direction or supervision, in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations. "
- Written notice of any change in signatures or positions of the Customer shall be submitted to the Company in writing within thirty (30) days after the change.

IN WITNESS WHEREOF, the Company and the Customer have caused this Agreement to be signed by its respective authorized signatories, all as of the day and date first herein above set forth.

By	
CUSTOMER:	
OOOTOMEN.	a(n)
Ву	
Its	

EPCOR WATER ARIZONA INC., an Arizona corporation

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year Month Day Year

RULE NO. 10 EXHIBIT A (Continued)

ATTACHMENT I - SCHEMATIC ATTACHMENT 11 - REGULATED TOXIC ORGANICS

- Acenaphthene 1. 2. Acrolein 3. Acrylonitrile 4. Benzene 5. Benzidine 6. Carbon Tetrachloride (Tetrachloromethane) 7. Chlorobenzene 8 1,2,4-trichlorobenzene Hexachlorobenzene 10. 1.2-dichloroethane 11. 1, 1, 1 -trichloroethane 12. Hexachloroethane 13. 1.11-dichloroethane 14. 1, 1,2-trichloroethane 15. 1, 1,2,2-tetrachloroethane 16. Chloroethane 18. Bis (2-chloroethyl)ether
- 22. Parachlorometa cresol 23. Chloroform (trichloromethane) 24. 2-chlorophenol 25. 1,2-dichlorobenzene 26. 1,3-dichlorobenzene 27. 1,4-dichlorobenzene 28. 3.3-dichlorobenzidine 29. 1,1-dichioroethylene 30. 1,2-trans-dichloro ethylene

19. 2-chloroethyl vinyl ether (mixed)

20. 2-chloronaphthalene

21. 2,4,6-trichlorophenol

- 31, 2,4-dichlorophenol 32. 1,2-dichloropropene 33. 1,2-dichloropropylene 34. 2,4-dimethylphenol 35. 2,4-dinitrotoluene 36. 2.6-dinitrotoluene 37. 1,2-diphenylhydrazine 38. Ethylbenzene
- 39. Fluoranthene 40. 4-chlorophyenylphenyi ether 41. 4-bromophenylphenyl ether 42. Bis(2-chloroisopropyl)ether 43. Bis (2-chloroethoy) methane
- 44. Methylene chloride(dichloromethane) 45. Methyl chloride (chloromethane) 46. Methyl bromide (bromomethane) 47. Bromoform (tribromomethane) 48. Dichlorobromomethane
- 52. Hexachlorobutadiene 53. Hexachlorocyclopentadiene 54. Isophorone 55. Naphthalene 56. Nitrobenzene 57. 2-nitrophenol 58. 4-nitrophenol 59. 2.4-dinitrophenol
- 60. 4.6-dinitro-o-cresol 61. N-nitrosodimethylamine 62. N-nitrosodiphenylamine

51. Chlorodibromomethane

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE: September 1, 2015

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Month

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Wastewater District

(Name of Service Area)

RULE NO. 10 EXHIBIT A (Continued)

ATTACHMENT I - SCHEMATIC ATTACHMENT 11 - REGULATED TOXIC ORGANICS

- 63. N-nitrosodi-n-propylamine
- 64. Pentachlorophenol
- 65. Phenol
- 66. Bis (2-ethylhexyl) phthalate
- 67. Butyl benzyl phthalate (1,3-dichloropropene)
- 68. Di-n-butyl phthalate
- 69. Di-n-octyl phthalate
- 70. Diethyl phthalate
- 71. Dimethyl phthalate
- 72. Benzo(a)anthrscene (1,2-benzanthracene)
- 73. Benzo(a)pyrene (1,2-benzanthracene)
- 74. 3.4-benzofluoranthene
- 75. Benzo(k)fluoranthene (
 - 11, 12-benzofluoranthene)
- 76. Chrysene
- 77. Acensphthylene
- 78. Anthracene
- 79. Benzo(ghi)perylene (1,12-benzoperylene)
- 80. Fluorene
- 81. Phenanthrene
- 82. Dibenzo (a,h)anthracene
- 83. Ideno (1,2,3-cd)pyrene (2-3-o-phenylene pyrene)
- 84. Pyrene
- 85. Tetrachloroethylene
- 86. Toluene
- 87. Trichloroethylene
- 88. Vinyl Chloride (chloroethylene)
- 89. Aldrin
- 90. Dieldrin
- 91. Chlordane (technical mixture 8, metabolites)
- 92. 4.4'- DDT
- 93. 4,4'- DDE (p,p'-DDX)
- 94. 4,4'- DDD (p,p-TDE)
- 95. A-endosulfan-Beta

- 96. B-endosulfin-Beta 97. Endosulfan sulfate
- 98. Endrin
- 99. Endrin aldehyde
- 100. Heptachlor
- 101. Heptachlor epoxide
- 102. A-BHC-Alpha
 - (BHC = hexa-chlorocyclohexane)
- 103. B-BHC-Beta
- 104. R-BHC-aindane)-Gamma
- 105, B-BHC-Delta
- 106. PCB-1242 (Arochlor 1242)
- 107. PCB-1254 (Arochlor 1254)
- 108. PCB-1221 (Arochlor 1221)
- 109. PCB-1232 (Arochlor 1232)
- 110. PCB-1248 (Arochlor 1248)
- 111. PCB-1260 (Arochlor 1260)
- 112. PCB-1016 (Arochlor 1016)
- 113. Toxaphene
- 114. 2.3.7.8-Tetrachloro

dibenzo-p-dioxin (TCDD)

ISSUED:

September 15, 2015 Day Year

Month

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water Tariff

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GENERAL WATER RATE

Availability

Available for all metered residential, commercial, industrial and public authority customers served by this District.

Schedule of Charges

		Tie	er One		Tier Two		Tier Three
Meter Sizes	Basic Service Charge	Commodity Rate (per 1,000 gallons)	First Tier (gallons)	Commodity Rate (per 1,000 gallons)	Second Tier (gallons)	Commodity Rate (per 1,000 gallons)	Third Tier (gallons)
<u>Residential</u>							
5/8x3/4-inch Low Income**	\$ 8.77	\$ 1.41	0 - 3,000	\$ 2.37	3,001 - 10,000	\$ 3.2946	Over 10,000
5/8x3/4-inch*	\$ 14.61	\$ 1.41	0 - 3,000	\$ 2.37	3,001 - 10,000	\$ 3.2946	Over 10,000
3/4-inch	\$ 16.88	\$ 1.41	0 - 3,000	\$ 2.37	3,001 - 10,000	\$ 3.2946	Over 10,000
1-inch*	\$ 36.53	\$ 2.37	0 - 25,000	\$ 3.2946	Over 25,000		
1 1/2 -inch	\$ 73.05	\$ 2.37	0 - 50,000	\$ 3.2946	Over 50,000		
2-inch	\$ 116.88	\$ 2.37	0 - 80,000	\$ 3.2946	Over 80,000		
3-inch	\$ 233.76	\$ 2.37	0 - 170,000	\$ 3.2946	Over 170,000		
4-inch	\$ 365.25	\$ 2.37	0 - 250,000	\$ 3.2946	Over 250,000		
6-inch	\$ 730.50	\$ 2.37	0 - 450,000	\$ 3.2946	Over 450,000		
8-inch	\$ 1,168.80	\$ 2.37	0 - 750,000	\$ 3.2946	Over 750,000		
10-inch	\$ 1,680.15	\$ 2.37	0 - 1,000,000	\$ 3.2946	Over 1,000,000		
12-inch	\$ 3,141.15	\$ 2.37	0 - 2,100,000	\$ 3.2946	Over 2,100,000		
Apartment							
5/8x3/4-inch	\$ 14.61	\$ 1.41	0 - 3,000	\$ 2.37	3.001 - 10.000	\$ 3.2946	Over 10,000
3/4-inch	\$ 16.88	\$ 1.41	0 - 3,000	\$ 2.37	3,001 - 10,000	\$ 3.2946	Over 10,000
1-inch	\$ 36.53	\$ 2.37	0 - 25,000	\$ 3.2946	Over 25,000		
1 ½ -inch	\$ 73.05	\$ 2.37	0 - 50,000	\$ 3.2946	Over 50,000		
2-inch	\$ 116.88	\$ 2.37	0 - 80,000	\$ 3.2946	Over 80,000		
3-inch	\$ 233.76	\$ 2.37	0 - 170,000	\$ 3.2946	Over 170,000		
4-inch	\$ 365.25	\$ 2.37	0 - 250,000	\$ 3.2946	Over 250,000		
6-inch	\$ 730.50	\$ 2.37	0 - 450,000	\$ 3.2946	Over 450,000		
8-inch	\$ 1,168.80	\$ 2.37	0 - 750,000	\$ 3.2946	Over 750,000		
10-inch	\$ 1,680.15	\$ 2.37	0 - 1,000,000	\$ 3.2946	Over 1,000,000		
12-inch	\$ 3,141.15	\$ 2.37	0 - 2,100,000	\$ 3.2946	Over 2,100,000		
Commercial							
5/8x3/4-inch	\$ 14.61	\$ 1.41	0 - 3,000	\$ 2.37	3,001 - 10,000	\$ 3.2946	Over 10,000
3/4-inch	\$ 16.88	\$ 1.41	0 - 3,000	\$ 2.37	3,001 - 10,000	\$ 3.2946	Over 10,000
1-inch	\$ 36.53	\$ 2.37	0 - 25,000	\$ 3.2946	Over 25,000		
1 1/2 -inch	\$ 73.05	\$ 2.37	0 - 50,000	\$ 3.2946	Over 50,000		
2-inch	\$ 116.88	\$ 2.37	0 - 80,000	\$ 3.2946	Over 80,000		
3-inch	\$ 233.76	\$ 2.37	0 - 170,000	\$ 3.2946	Over 170,000		
4-inch	\$ 365.25	\$ 2.37	0 - 250,000	\$ 3.2946	Over 250,000		
6-inch	\$ 730.50	\$ 2.37	0 - 450,000	\$ 3.2946	Over 450,000		
8-inch	\$ 1,168.80	\$ 2.37	0 - 750,000	\$ 3.2946	Over 750,000		
10-inch	\$ 1,680.15	\$ 2.37	0 - 1,000,000	\$ 3.2946	Over 1,000,000		
12-inch	\$ 3,141.15	\$ 2.37	0 - 2,100,000	\$ 3.2946	Over 2,100,000		

Low Income Surcharge ** \$0.05460

*Includes Rio Residential Customers

Note:

**Low Income Program details are noted in the Terms and Conditions section for General Water Rates. Upper tier rate for residential and commercial customers is comprised of the \$3.24 approved rate plus \$0.05460 for the Low Income Surcharge for a total of \$3.2946.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY:

Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates

GENERAL WATER RATE

(continued)

Schedule	of Charges
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		Tier (One	Tier Two		Tier Three	
Meter Sizes	Basic Service Charge	Commodity Rate (per 1,000 gallons)	First Tier (gallons)	Commodity Rate (per 1,000 gallons)	Second Tier (gallons)	Commodit y Rate (per 1,000 gallons)	Third Tier (gallons)
<u>Industria</u> l							
5/8x3/4-inch	\$ 14.61	\$ 1.41	0 - 3,000	\$ 2.37	3,001 - 10,000	\$ 3.2946	Over 10,000
3/4-inch	\$ 16.88	\$ 1.41	0 - 3,000	\$ 2.37	3,001 - 10,000	\$ 3.2946	Over 10,000
1-inch	\$ 36.53	\$ 2.37	0 - 25,000	\$ 3.2946	Over 25,000		
1 1/2 -inch	\$ 73.05	\$ 2.37	0 - 50,000	\$ 3.2946	Over 50,000		
2-inch	\$ 116.88	\$ 2.37	0 - 80,000	\$ 3.2946	Over 80,000		
3-inch	\$ 233.76	\$ 2.37	0 - 170,000	\$ 3.2946	Over 170,000		-
4-inch	\$ 365.25	\$ 2.37	0 - 250,000	\$ 3.2946	Over 250,000		
6-inch	\$ 730.50	\$ 2.37	0 - 450,000	\$ 3.2946	Over 450,000		
8-inch	\$ 1,168.80	\$ 2.37	0 - 750,000	\$ 3.2946	Over 750,000		
10-inch	\$ 1,680.15	\$ 2.37	0 - 1,000,000	\$ 3.2946	Over 1,000,000		
12-inch	\$ 3,141.15	\$ 2.37	0 - 2,100,000	\$ 3.2946	Over 2,100,000		
Other Public Auth							
5/8x3/4-inch	\$ 14.61	\$ 2.37_	Infinite				
3/4-inch	\$ 16.88	\$ 2.37	Infinite				
1-inch	\$ 36.53	\$ 2.37	Infinite				.,,
1 1/2-inch	\$ 73.05	\$ 2.37	Infinite				
2-inch	\$ 116.88	\$ 2.37	Infinite				
3-inch	\$ 233.76	\$ 2.37	Infinite				
4-inch	\$ 365.25	\$ 2.37	Infinite				
6-inch	\$ 730.50	\$ 2.37	Infinite				
8-inch	\$ 1,168.80	\$ 2.37	Infinite				
10-inch	\$ 1,680.15	\$ 2.37	Infinite				
12-inch	\$ 3,141.15	\$ 2.37	Infinite				
Other							
BHC Veterans Memorial	\$ 14.61	\$ 2.37	0 - 10,000	\$ 3.2946	Over 10,000		

Terms and Conditions

Water service under this Schedule is for the exclusive use of the Customer and water shall not be resold or provided to others.

Water service provided under this rate schedule is subject to the Company's Rules and Regulations applicable to Water Service and may be subject to the Company's Miscellaneous Service Charges set forth in Rate Schedule Service Charges.

All advances and/or contributions are to include labor, materials, overheads, and all applicable taxes, including all gross-up taxes for income taxes, if applicable.

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, use, and franchise tax. Per Commission Rule 14-2-409D(5).

** Low Income Program – Monthly Low Income Credit of \$5.84 is available in the Mohave Water district bringing the basic service charge down from \$14.61 to \$8.77. Requires the completion of a Low Income Program Application. Program is restricted to the first 1,000 eligible residential customers on 5/8 x 3/4 inch meters in the Mohave Water district. Applicants must swear that he/she has annual income below the threshold. The threshold is below 150% of the federal low income guidelines as periodically revised. Applicant may not be claimed as a dependent on another person's tax return. Applicant must reapply each time moving residences. Refusal or failure to provide acceptable documentation of eligibility, upon request, shall result in removal from the low income program. Rebilling of customers under the otherwise applicable rate schedule may occur for periods of ineligibility previously billed under the low income tariff. Annual income means the value of all money and non-cash benefits available for living expenses, from all sources, both taxable and non-taxable, before deductions, for all people who live with the applicant.

ISSUED:

September 15, 2015 Month Day Year

EFFECTIVE:

September 1, 2015

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

PRIVATE FIRE PROTECTION

Availability

Applicable to all water service rendered for private fire protection purposes other than residential service.

Territory

All certified service areas in Mohave County, Arizona.

Schedule of Charges - Private Fire - Monthly Service Charge

Meter Size	Basic Service Charge	Commodity Rate (per 1,000 gallons)
2-inch	\$ 6.08	\$ 2.37
4-inch	\$ 12.16	\$ 2.37
6-inch	\$ 18.24	\$ 2.37
8-inch	\$ 24.32	\$ 2.37
10-inch	\$ 30.40	\$ 2.37
Private Fire Hydrant	\$ 14.98	\$ 2.37
Public Fire Hydrant	\$ 14.98	\$ 2.37
Public Sprinkler Head	\$ 0.89	\$ 2.37

Taxes

This rate shall be subject to its proportionate part of any taxes and governmental imposts that are assessed on the basis of gross revenue of this District.

Terms and Conditions

- 1. Private fire protection service will be provided only if the customer purchases his entire water supply from this District.
- 2. The customer will pay, without refund, the entire cost of installing the service connection from the nearest main of adequate size to serve a private fire protection system in addition to all other normal service. If a private fire hydrant is installed, the customer will pay, without refund, the entire cost of installing the fire hydrant.

(continued on next page)

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year

PRIVATE FIRE PROTECTION

(continued)

Terms and Conditions (continued)

- 3. The maximum diameter of the service connection will not be more than the diameter of the main to which the service is connected. The maximum diameter of a fire hydrant connection will not be more than the diameter of the main to which the fire hydrant is connected.
- 4. The customer's installation must be such as to separate effectively the fire sprinkler system from that of the customer's regular water service. As a part of the sprinkler service installation, there shall be a detector check or other similar device acceptable to the Company that will indicate the use of water. Any unauthorized use will be charged for at the regular established rate for general metered service, and may be grounds for the Company's discontinuing the fire sprinkler service without liability to the Company.
- 5. There shall be no cross-connection between the fire sprinkler system supplied by water through the Company's fire sprinkler service to any other source of supply without the specific approval of the Company. This specific approval will require, at the customer's expense, a special double check valve installation or other device acceptable to the Company. Any such unauthorized cross-connection may be grounds for immediately discontinuing the sprinkler system service without liability to the Company.
- 6. The Company will supply only such water at such pressure as may be available from time to time as the result of its normal operations of the system. The Company shall not be liable to any party at any time under any circumstances for any damages resulting from high or low water pressure, failure of water supply or malfunction, failure or inadequacy of equipment, regardless of the cause of any such pressure, malfunction, failure or inadequacy.

ISSUED:

September 15, 2015 Month Day Year EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

SERVICE CHARGES

This District is authorized to charge the following service charges:

Service Establishment, Reestablishment and/or Reconnection Change

As provided for in EPCOR Water Arizona, Inc's Mohave Water District Rule No. 2 (D), the Company will charge the following rates for the establishment or re-establishment and/or reconnection of water utility service:

Establishment or Re-establishment of Service	\$35.00
Reconnection of Service (Delinquent)	\$35.00
Water Meter Test (If Correct)	\$35.00
Meter Re-read (If Correct) Deposit Requirement (Residential) Deposit Requirement (non-res. Meter)	\$25.00 (a) (a)
Deposit Interest	(a)
NSF Check	\$25.00
Deferred Payment, Per Month	1.50% per month
Late Charge, Per Month	1.50% per month
After Hours Service Charge (b)	\$35.00

(a) Per Commission rules (R14-2-403.B)

(b) After Hours Service: After regular working hours, on Saturdays, Sundays or holidays if at the customer's request.

ISSUED:

September 15, 2015

EFFECTIVE:

<u>September 1, 2015</u> Month Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

SERVICE CHARGES

(continued)

Service and Meter Installation Charges

As provided for in EPCOR Water Arizona Inc.'s Mohave Water District Rule No. 4 (B), the Company will charge the customer, as a refundable advance in aid of construction, an amount for each meter and service line as specified below:

1. Service Line and Meter Installation Charges:

Meter Size	Service Line Installation Charges	Meter Installation Charges	<u>Total</u>
5/8 X 3/4-inch	\$ 370.00	\$ 130.00	\$ 500.00
3/4 -inch	\$ 370.00	\$ 205.00	\$ 575.00
1-inch	\$ 420.00	\$ 240.00	\$ 660.00
1 1/2 -inch	\$ 450.00	\$ 450.00	\$ 900.00
2-inch Turbine	\$ 580.00	\$ 945.00	\$ 1,525.00
2-inch Compound	\$ 580.00	\$ 1,640.00	\$ 2,220.00
3-inch Turbine	\$ 745.00	\$ 1,420.00	\$ 2,165.00
3-inch Compound	\$ 465.00	\$ 2,195.00	\$ 2,660.00
4-inch Turbine	\$ 1,090.00	\$ 2,270.00	\$ 3,360.00
4-inch Compound	\$ 1,120.00	\$ 3,145.00	\$ 4,265.00
6-inch Turbine	\$ 1,610.00	\$ 4,425.00	\$6,035.00
6-inch Compound	\$ 1,630.00	\$ 6,120.00	\$ 7,750.00
8-inch or Larger	Cost	Cost	Cost

Terms and Conditions

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, use, and franchise tax. Per Commission Rule 14-2-409(D)(5).

ISSUED:

May 22, 2007 Month Day Year EFFECTIVE:

May 21, 2007 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

FOOTHILLS SYSTEM TARIFF

Facility Construction Advance

All new development (herein defined to be two (2) or more new residential dwelling units and all new commercial units) shall be subject to a refundable advance in aid of construction per residential dwelling unit or equivalent thereof as follows:

Foothills System

\$350.00

For purposes of calculating equivalent residential dwelling units:

- a) An equivalent residential dwelling unit equals the use of 202 gallons per day.
- b) Each washing machine in a commercial laundromat shall be equivalent to two (2) residential dwelling units for purposes of calculating facility construction advances.
- c) Each designated parking space in a recreational vehicle park shall be equivalent to forty-three percent (43%) equivalent residential dwelling units for purposes of calculating facility construction advances.
- d) Each motel room, excepting efficiency type units, which are equivalent to one residential unit, shall be equivalent to thirty-nine percent (39%) equivalent residential units for purposes of calculating facility construction advance.
- e) All commercial and industrial facilities will be determined by the required water usage divided by 202.

Terms and Conditions

Subject to the terms and conditions of the Foothills System Tariff and the applicable rules, regulations and conditions of the Mohave Water District of EPCOR Water Arizona Inc. and the Arizona Corporation Commission.

ISSUED:

May 22, 2007 Month Day Year EFFECTIVE:

May 21, 2007 Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

CURTAILMENT PLAN FOR MOHAVE WATER DISTRICT

(Template 063004)

ADEQ Public Water System No: 04-07-099

<u>EPCOR Water Arizona Inc.</u> ("Company"), is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

<u>Restrictions</u>: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

<u>Restrictions</u>: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

(continued on next page)

ISSUED:

February 20, 2012 Month Day Year EFFECTIVE:

January 20, 2012 Month Day Year

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Sheryl L. Hubbard, Director, Regulatory & Rates

CURTAILMENT TARIFF

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Stage 3 Exists When:

- Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

<u>Restrictions:</u> Under Stage 3, Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

- Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
- 2. Beginning with Stage 3, Company shall post at least four (4) signs showing the curtailment stage. Signs shall be posted at the well and/or pump sites located within the Mohave Water District.
- 3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

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ISSUED:

February 20, 2012

EFFECTIVE:

January 20, 2012 Month Day Year

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Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates

CURTAILMENT TARIFF

Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

<u>Restrictions:</u> Under Stage 4, Company shall inform the customers of a mandatory restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- Washing of any vehicle is prohibited
- ♦ The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- The use of construction water is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

Notice Requirements:

- Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
- 2. Beginning with Stage 4, Company shall post at least four (4) signs showing the curtailment stage. Signs shall be posted at the well and/or pump sites located within the Mohave Water District
- 3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

(continued on next page)

ISSUED:

February 20, 2012

EFFECTIVE:

January 20, 2012 Month Day Year

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Month Day Year
Sheryl L. Hubbard, Director, Regulatory & Rates

CURTAILMENT TARIFF

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply within two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

ISSUED:

February 20, 2012 Month Day Year **EFFECTIVE**:

January 20, 2012 Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water District (Name of Service Area)

Local and/or Regional Messaging Program Tariff - BMP 1.1

PURPOSE

A program for the Company to actively participate in a water conservation campaign with local or regional advertizing (Modified Non-Per Capita Conservation Program BMP Category 1: Public Awareness/Public Relations 1.1: Local and/or Regional Messaging Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company or designated representative shall actively participate in water conservation campaign with local and/or regional advertising.
- 2. The campaign shall promote ways for customers to save water.
- 3. The Company shall facilitate the campaign through one or more of the following avenues (not an all inclusive list):
 - a. Television commercials
 - b. Radio commercials
 - c. Websites
 - d. Promotional materials
 - e. Vehicle signs
 - f. Bookmarks
 - g. Magnets
- 4. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - a. A description of the messaging program implemented and program dates.
 - b. The number of customers reached (or an estimate).
 - c. Costs of Program implementation.

ISSUED:

February 20, 2012 Month Day Year EFFECTIVE:

January 20, 2012 Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water District (Name of Service Area)

Youth Conservation Education Program Tariff - BMP 2.2

PURPOSE

A program for the Company to promote water conservation by increasing students' understanding of water resources and the need to conserve (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.2: Youth Conservation Education Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company or designated representative shall work with schools in its service area to increase students' understanding of water resources and to promote water conservation.
- 2. The Company shall provide a combination of instructional assistance, education materials, teacher education, classroom presentations, and field trips to water related facilities.
- 3. The Company shall provide the following teacher resources.
 - a. Offer Project WET (Water Education for Teachers) workshops to teachers twice yearly. In lieu of Project WET the Company may market its Water Conservation Assembly Program to all schools within its service area. The Water Conservation Assembly Program will focus on teaching students about water resources and water conservation. The assembly itself will be an interactive water conservation discussion.
 - b. Provide free resource materials and information upon request.
 - c. Provide in-classroom presentations upon request.
- 4. The Company shall make available free take home educational materials for elementary school students.
- 5. The Company shall keep a record of the following information and make it available upon request.
 - a. A description of the youth conservation education process implemented.
 - b. The number of students reached (or an estimate).
 - c. A description of the written water conservation material provided free to students.
 - d. Costs of the Youth Conservation Education Program implementation.

ISSUED:

February 20, 2012

Month Day Year

EFFECTIVE:

January 20, 2012 Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

EPCOR Water Arizona Inc. (Name of Company) (623) 445-2416

(Water Conservation Phone)

Mohave Water District (Name of Service Area)

New Homeowner Landscape Information Tariff – BMP 2.3

PURPOSE

A program for the Company to promote the conservation of water by providing a landscape information package for the purpose of educating its new customers about low water use landscaping (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.3: New Homeowner Landscape Information).

REQUIREMENTS:

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. Upon establishment of water service the Company shall offer and make available upon request a free "Homeowner Landscape Packet" to each new customer in the Company's service area. The packet will include at a minimum: a cover letter describing the water conservation expectations for all customers in the Company's service area, applicable rate tariffs, a basic interior/exterior water saving pamphlet, xeriscape landscape information, a list of low water use trees, plants, shrubs, etc., watering guidelines, and a rain water harvesting pamphlet.
- 2. Upon customer request, the Company shall provide:
 - a. On-site consultations on low water use landscaping and efficient watering practices.
 - b. A summary of water saving options.
- 3. The Company shall keep a record of the number of packets provided to new customers and make it available to the Commission upon request.

ISSUED:

February 20, 2012 Month Day Year

EFFECTIVE:

January 20, 2012 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water District (Name of Service Area)

Residential Audit Program Tariff – BMP 3.1

PURPOSE

A program for the Company to promote water conservation by providing customers with information on performing water audits to determine conservation opportunities at their residence (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.1: Residential Audit Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall offer self-audit information.
- 2. The Company or designated representative shall provide all customers that request them with a self-audit kit.
- 3. The kit shall include detailed instructions and tools for completing the water audit including information on how to check their water meter. The audit kit shall include but not be limited to information on checking the following components: irrigation system, pool, water features, toilets, faucets and shower.
- 4. If requested, the Company shall assist the customer in a self-water audit and assist the customer in determining what might be causing high water usage as well as supply customer with information regarding water conservation and landscape watering guidelines. As part of the water audit, and if requested to do so by the customer, the Company shall confirm the accuracy of the customer meter (applicable meter testing fees shall apply).
- 5. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - a. A description of the water conservation material provided in the kit.
 - b. The number of kits provided to customers.
 - Implementation costs of the Residential Audit Program.

ISSUED:

February 20, 2012 Month Day Year EFFECTIVE:

January 20, 2012 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water District (Name of Service Area)

Residential Interior Retrofit Program Tariff – BMP 3.4

PURPOSE

A program for the Company to promote water conservation by providing residential customers free or low cost plumbing fixtures for their residence (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.4: Residential Interior Retrofit Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company or designated representative shall provide to residential customers that request them that live in homes built prior to the adoption of the 1990 Uniform Plumbing Code free or low cost low water use fixtures such as faucets faucet aerators, low flow shower heads, toilets and toilet dams. The Company must offer the fixtures/fixture retrofits to all residential customers meeting the above criteria unless the Company can demonstrate that targeting certain portions of its water service area is likely to vield the highest participation and/or potential water savings.
- 1. The Company or designated representative shall provide to residential customers
- 2. The fixtures or retrofit kit shall include detailed instructions for installing the retrofit fixtures.
- 3. The Company shall select appropriate communications channels to advertize the program.
- 4. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - a. A description of the Residential Interior Retrofit Program including a description of the fixtures provided to customers and estimated water savings as a result of Program implementation.
 - b. The number of retrofit fixtures requested by customers and the number of fixtures provided.
 - c. Costs of the Residential Interior Retrofit Program.

ISSUED:

February 20, 2012 Month Day Year EFFECTIVE:

January 20, 2012 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water District (Name of Service Area)

Customer High Water Use Inquiry Resolution Tariff - BMP 3.6

PURPOSE

A program for the Company to assist its customers with their high water-use inquiries and complaints (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.6: Customer High Water Use Inquiry Resolution).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall handle high water use inquiries as calls are received.
- 2. Calls shall be taken by a customer service representative who has been trained on typical causes of high water consumption as well as leak detection procedures that customers can perform themselves.
- 3. Upon request by the customer or when the Company determines it is warranted, a trained Field Technician shall be sent to the customer's residence to verify consumption and conduct a leak detection inspection and further assist the customer with water conservation measures.
- 4. The Company shall follow up on every customer inquiry or complaint and keep a record of inquiries and follow-up activities. The Company shall make this information available to the Commission upon request.

ISSUED:

February 20, 2012 Month Day Year

EFFECTIVE:

January 20, 2012 Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water District (Name of Service Area)

Customer High Water Use Notification Tariff – BMP 3.7

PURPOSE

A program for the Company to monitor and notify customers when water use seems to be abnormally high and provide information that could benefit those customers and promote water conservation (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services Program 3.7: Customer High Water Use Notification).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall track water usage for each customer and notify the customer if water use seems excessive for that particular billing for that time of the year.
- 2. The Company shall identify customers with high consumption, verify the high consumption, and investigate each instance to determine the possible cause.
- 3. The Company shall contact the high water use customers via telephone, email, by mail or in person. The Company shall contact the customer as soon as practical in order to minimize the possible loss of water. The customer will not be required to do anything to receive this notification.
- 4. In the notification the Company shall explain some of the most common water usage problems and common solutions and points of contact for dealing with the issues.
- 5. In the notification, the customer will be reminded of possible high water-consumption occurrences, such as:
 - a. Leaks, running toilets, or valves or flappers that need to be replaced.
 - b. Irrigation system valves or sprinkler heads which may be leaking.
 - c. Sprinklers that may be watering the house, sidewalk, or street, etc. increasing irrigation requirements.
 - d. Leaking pool or spas and possible leaks around pumps.
 - e. More people in the home than usual taking baths and showers.
 - f. Doing more loads of laundry than usual.
 - g. Doing a landscape project or starting a new lawn.
 - h. Washing vehicles more often than usual.

(Continued on Sheet No. 6g)

ISSUED:

February 20, 2012 Month Day Year

EFFECTIVE:

January 20, 2012 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water District (Name of Service Area)

Customer High Water Use Notification Tariff – BMP 3.7 (Continued)

- 6. The Company shall offer water conservation information that could benefit the customer, such as, but not limited to, audit programs, publications, and rebate programs.
- 7. The Company shall assist the customer in determining what might be causing the high water usage as well as offer the customer information regarding water conservation and landscape watering guidelines. The Company shall confirm the accuracy of the customer meter if requested to do so by the customer (applicable meter testing fees shall apply).
- 8. The type of notification, the timing of the notification (i.e., how long after high water use was discovered by the Company), and the criteria used for determining which customers are notified shall be recorded. The Company shall make this information available to the Commission upon request.

ISSUED:

February 20, 2012

EFFECTIVE:

January 20, 2012 Month Day Year

ISSUED BY:

Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water District (Name of Service Area)

Leak Detection Program Tariff – BMP 4.1

PURPOSE

A program for the Company to systematically evaluate its water distribution system to identify and repair leaks (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.1 Leak Detection Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

On a systematic basis, the Company shall perform leak detection inspections of its distribution system to identify and fix leaks.

This program shall be implemented through a strategy of targeting certain portions of the water service area which will yield the highest potential for water savings first.

- 1. The Company shall implement a comprehensive leak detection and repair program to attain and maintain a goal of less than 10 percent unaccounted for water loss in its system(s). The program must include auditing procedures, in-field leak detection and repair efforts. The Company shall take whatever practical steps are necessary to ensure that its water system is operating at optimal efficiency.
- 2. On a systematic basis, at least every two years (annually for smaller systems), the Company shall visually inspect its above ground water distribution system (to include hydrants, valves, tanks, pumps, etc. in the distribution system) to identify and repair leaks. Detection shall be followed by repair or in some cases replacement. Repair vs. replacement will depend upon site-specific leakage rates and costs.
- 3. Leak Detection efforts should focus on the portion of the distribution system with the greatest expected problems, including:
 - a. areas with a history of excessive leak and break rates;
 - b. areas where leaks and breaks can result in the heaviest property damage;
 - c. areas where system pressure is high:
 - d. areas exposed to stray current and traffic vibration:
 - e. areas near stream crossings; and,
 - f. areas where loads on pipe may exceed design loads.

(Continued on Sheet No. 6i)

ISSUED:

February 20, 2012

EFFECTIVE:

January 20, 2012

Month Day Year

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water District (Name of Service Area)

<u>Leak Detection Program Tariff – BMP 4.1</u> (continued)

- 4. The Company shall keep accurate and detailed records concerning its leak detection and repair/rehabilitation program and the associated costs. Records of repairs shall include: possible causes of leak; estimated amount of water lost; and date of repair. These records shall be made available to the Commission upon request.
- 5. The Company shall maintain a complete set of updated distribution system maps.
- 6. The Company shall conduct a water audit annually which includes the following steps to determine how efficient each water system is operating and where the losses might be.
 - a. Use coordinated monthly source and service meter readings to calculate how much water enters and leaves the system during the 12 month review period.
 - b. Track and estimate any unmetered authorized uses.
 - c. Calculate the total amount of leakage using the following formula:

Unaccounted for water (%) = [(Production and/or purchased water minus metered use & estimated authorized un-metered use) / (Production and/or purchased water)] x 100%

- d. Authorized un-metered uses may include firefighting, main flushing, process water for water treatment plants, etc. Water losses include all water that is not identified as authorized metered water use or authorized un-metered use.
- e. Determine possible reasons for leakage, including physical leaks and unauthorized uses.
- f. Analyze results to determine the improvements needed, such as, better accounting practices, leak survey or replacing old distribution pipes.
- 7. The Company shall keep accurate and detailed records concerning its annual water audit results. These records shall be made available to the Commission upon request.

ISSUED:

February 20, 2012 Month Day Year EFFECTIVE:

January 20, 2012 Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water District (Name of Service Area)

Meter Repair and/or Replacement Tariff – BMP 4.2

PURPOSE

A program for the Company to systematically assess all in-service water meters (including Company production meters) in its water service area to identify under-registering meters and to repair or replace them (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.2 Meter Repair and/or Replacement Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. On a systematic basis, the Company will replace all 2-inch and smaller in-service water meters at least once every fifteen years.
- 2. The Company will test all meters that have caused a meter reading complaint to be filed with the Arizona Corporation Commission.
- 3. Meters larger than 2-inch shall be tested for one of the following reasons:
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has been in service for five years.
- The test will be accomplished by one of the following:
 - a. Having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair.
 - b. Utilizing equipment to verify that all electronic components are within manufacturer specifications and are operating properly.
- 5. In addition, meters shall be randomly selected for flow testing utilizing a flow through detector testing meter.
- 6. All replacement water meters shall register in gallons:
 - a. All new 1-inch and smaller meters that are installed will register usage in 1 gallon increments,
 - b. All new 1-1/2-inch through 4-inch meters that are installed will register in 10 gallon increments, and
 - c. All new 6-inch and larger meters that are installed will register in 100 gallon increments.
- 7. The Company shall keep records on the number of meters that were replaced and make this information available to the Commission upon request.

ISSUED:

February 20, 2012

EFFECTIVE:

January 20, 2012

Month Day Year

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water District (Name of Service Area)

WATER SYSTEM TAMPERING TARIFF - BMP 5.2

PURPOSE

The purpose of this tariff is to promote the conservation of groundwater by enabling the Company to bring an action for damages or to enjoin any activity against a person who tampers with the water system.

REQUIREMENTS:

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission, specifically Arizona Administrative Code ("AAC") R14-2-410 and the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. In support of the Company's water conservation goals, the Company may bring an action for damages or to enjoin any activity against a person who: (1) makes a connection or reconnection with property owned or used by the Company to provide utility service without the Company's authorization or consent; (2) prevents a Company meter or other device used to determine the charge for utility services from accurately performing its measuring function; (3) tampers with property owned or used by the Company; or (4) uses or receives the Company's services without the authorization or consent of the Company and knows or has reason to know of the unlawful diversion, tampering or connection. If the Company's action is successful, the Company may recover as damages three times the amount of actual damages.
- 2. Compliance with the provisions of this tariff will be a condition of service.
- 3. The Company shall make available to all its customers a complete copy of this tariff and AAC R14-2-410. The customers shall follow and abide by this tariff.
- 4. If a customer is connected to the Company water system and the Company discovers that the customer has taken any of the actions listed in No. 1 above, the Company may terminate service per AAC R14-2-410.
- 5. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

ISSUED:

February 20, 2012

EFFECTIVE:

January 20, 2012 Month Day Year

ISSUED BY:

Month Day Year
Sheryl L. Hubbard, Director, Regulatory & Rates

TARIFF

WATER SERVICES TERMINATION AGREEMENT WITH THE CITY OF BULLHEAD CITY

EPCOR Water Arizona Inc. ("Company") has been granted a variance from Arizona Corporation Commission Rule A.A.C. R14-2-410.A.2 for the limited purpose of entering into a Water Service Termination Agreement ("Agreement") with the City of Bullhead City ("City"), a municipal provider of wastewater service, for common customers purchasing water from the Company and wastewater from the City. The purpose of this Tariff, and the authorized variance from A.A.C. R14-2-410.A.2, is to assist the City in collecting delinquent payments for wastewater utility service provided to common customers of the Company.

The Company shall comply with the terms and conditions of the Agreement.

The Agreement with the City is attached to and incorporated into this tariff.

ISSUED:

May 24, 2004

EFFECTIVE:

May 25, 2004 Month Day Year

Month Day Year
ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Mohave Water Rules and Regulations

RULES AND REGULATIONS APPLICABLE TO WATER SERVICE OF MOHAVE WATER DISTRICT

Legally named and operating in:

Bullhead City and Mohave County, Arizona

These rules and regulations have been authorized by the Arizona Corporation Commission and are the effective rules and regulations of this District.

Services will be furnished in accordance with these rules and regulations and no officer, employee, or representative of this Company has any authority to write, alter, or amend these rules and regulations or any parts thereof in any respect.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

Month Day Year

RULES AND REGULATIONS APPLICABLE TO WATER SERVICE

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ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

PRELIMINARY STATEMENT

Mohave Water District (hereinafter the "District") of EPCOR Water Arizona Inc. (hereinafter the "Company") is engaged in the business of supplying water service in the county or counties previously mentioned.

These Rules and Regulations are designed to govern the supply of water in such manner as will secure to each customer the greatest practicable latitude in the enjoyment of service, consistent with good service to himself and other customers, and with safety to the public and the Company's employees.

These Rules and Regulations are on file with the Arizona Corporation Commission of the State of Arizona, and copies are available at all Company offices. They are a part of every contract for service and govern all classes of service, except where specific provisions in contracts or schedules modify it. All prior rules, customs, or alleged understandings are hereby rescinded. These rules and regulations are available for review by any customer, at any office of the Company.

Rates for metered service and other services rendered are those on file with the Arizona Corporation Commission and are available at the offices of the Company.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 1 DEFINITIONS

For the purpose of these rules and regulations, unless the context otherwise requires, the following definitions shall apply:

- 1. Advance in Aid of Construction: Funds provided to the Company by an applicant under the terms of a main extension agreement and/or of service connection tariff, the amount of which may be refundable.
- 2. Applicant: A person requesting the Company to supply water service.
- 3. Application: A written request of the Company for water service, as distinguished from an inquiry as to the availability or charges for such service.
- 4. Arizona Corporation Commission: The regulatory authority of the State of Arizona having jurisdiction over the public service corporations operating in Arizona.
- 5. Billing Month: The period between any two regular readings or estimated readings of the Company's meters at approximately thirty (30) day intervals.
- 6. Billing Period: The time interval between two consecutive meter readings or estimates that are taken for billing purposes.
- 7. Commission: The Arizona Corporation Commission.
- 8. Commodity Charge: The unit of cost per billed usage, as set forth in the Company's tariffs.
- 9. Company: EPCOR Water Arizona Inc.
- 10. Contributions in Aid of Construction: Funds provided to the Company by an applicant under the terms of a main extension agreement and/or service connection tariff, the amount of which is not refundable.
- 11. Customer: The person or entity in whose name service is rendered, as evidenced by the signature on the application or contract for that service, or by the receipt and/or payment of bills regularly issued, regardless of the identity of the actual user of the service.
- 12. Customer Charge: The amount the customers must pay the Company for the availability of water service, excluding any water used, as specified in this District's tariffs.
- 13. Customer Piping: The pipe that transports water to the customer from the Point of Delivery to the point of usage by the customer.
- 14. Day: Calendar day.
- 15. Distribution Main: A water main of the Company from which service connections may be extended to customers.
- 16. District: Mohave Water District.
- 17. Interruptible Water Service: Water service that is subject to interruption.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 1 (continued) DEFINITIONS

- 18. Main Extension: The mains and ancillary facilities related to providing service to additional customers via the extension of the distribution system.
- 19. Master Meter: A meter owned by Company for measuring or recording the volume or flow of water at a single location where said water is transported through a piping system to several tenants or occupants for their individual consumption.
- 20. Meter: A Company-owned instrument that measures and indicates or records the volume of water that passes through it.
- 21. Meter Tampering: A situation where a meter has been illegally altered. Common examples are meter bypassing, use of devices to slow the meter recorder, and broken meter seals.
- 22. Minimum Charge: The amount the customer must pay for the availability of water service, including an amount of usage, as specified in this District's tariffs.
- 23. Minimum Delivery Pressure: 20 pounds per square inch gauge at the meter or Point of Delivery.
- 24. Permanent Customer: A customer who is a tenant or owner of a service location who applies for and receives permanent water service.
- 25. Permanent Service: service which, in the opinion of the Company, is of a permanent and established character. The use of water may be continuous, intermittent, or seasonal in nature.
- 26. Person: Any individual, partnership, corporation, governmental agency, or other organization operating as a single entity.
- 27. Point of Delivery: The point where facilities owned, leased or under license by a customer connects to Company's pipes or to the outlet side of Company's meter.
- 28. Premises: All of the real property and apparatus employed in a single enterprise or living unit on an integral parcel of land undivided by public streets, alleys, or railways.
- 29. Residential Subdivision Development: Any tract of land that has been divided into six or more contiguous lots for use in the construction of residential buildings or permanent mobile homes for either single or multiple occupancy; as "subdivision" is defined by Arizona Revised Statutes §32-2101.
- 30. Residential Use: Service to customers using water for domestic purposes such as personal consumption, water heating, cooking, clothes washing, and other residential uses, including use in apartment buildings, mobile home parks, and other multi-unit residential buildings.
- 31. Rules: The regulations set forth in the tariffs that apply to the provision of water service.
- 32. Service Area: The territory in which the Company has been granted a certificate of convenience and necessity and is authorized by the Commission to provide water service in this District.

ISSUED:

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EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 1 (continued) DEFINITIONS

- 33. Service Establishment Charge: The charges specified in this District's tariffs that cover the cost of establishing a new account.
- 34. Service Line: A water line that transports water from a common source (normally a distribution main) of supply to the customer's Point of Delivery.
- 35. Service Reconnect Charge: The charge as specified in this District's tariffs that must be paid by the customer prior to reestablishment of water service each time the water is disconnected for nonpayment or whenever service is discontinued for failure otherwise to comply with this District's filed rules.
- 36. Service Reestablishment Charge: A charge as specified in this District's tariffs, for service at the same location where the customer or a member of the customer's immediate family, had ordered a service disconnection within the preceding twelve month period.
- 37. Single Family Dwelling: A house, an apartment, or a mobile home permanently affixed to a lot, or any other permanent residential unit which is used as a home.
- 38. Tariffs: The documents filed with the Commission that list the services and products offered by this District and that set forth the terms, conditions, and a schedule of the rates and charges for those services and products.
- 39. Temporary service: Service to premises or enterprises that is temporary in character, or where it is known in advance that the service will be of limited duration. Service that, in the opinion of the Company, is for operations of a speculative character is also considered temporary service.
- 40. Utility: The public service corporation providing water service to the public in compliance with state law.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

Month Day Year Month Day Year

ISSUED BY: Sheryl L Hubbard, Director, Regulatory and Rates

RULE NO. 2 ESTABLISHMENT OF SERVICE

INFORMATION FROM NEW APPLICANTS

- 1. The Company may obtain the following minimum information prior to acceptance of the applicant as a customer.
 - a. Name or names of applicant(s).
 - Service address or location and telephone number.
 - Billing address or location and telephone number, if different than service address.
 - d. Address where service was provided previously.
 - e. Date applicant will be ready for service.
 - Indication of whether premises have been supplied with Company service previously.
 - Purpose for which service is to be used.
 - h. Indication of whether applicant is owner or tenant of or agent for the premises, and written proof of agency.
- 2. The Company may require a new applicant for service to appear at the Company's designated place of business to produce proof of identity and sign the Company's application form.
- 3. Where service is requested by two or more individuals the Company shall have the right to collect the full amount owed to the Company from any one of the applicants.

B. **DEPOSITS**

- 1. The Company may require a deposit from any new applicant for service.
- The Company shall issue a nonnegotiable receipt to the applicant for the deposit. The inability of the customer to produce such a receipt shall in no way impair his right to receive a refund of the deposit which is reflected on the Company's records.
- 3. Interest on deposits shall be calculated annually at an interest rate filed by the Company and approved by the Commission in a tariff proceeding. In the absence of such, the interest rate shall be six percent (6%).
- Interest shall be computed and accrued to the customer's account on an annual basis.
- Residential deposits plus accrued interest shall be refunded within thirty (30) days after discontinuance of service when the customer has paid all outstanding amounts due the Company.

ISSUED:

September 15, 2015

Month

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

- 6. A separate deposit may be required for each meter installed.
- 7. The amount of a deposit required by the Company shall be determined according to the following terms.
 - a. Residential customer deposits shall not exceed two times the average residential class bill as evidenced by this District's most recent annual report filed with the Commission.
 - b. Nonresidential customer deposits shall not exceed two and one-half times that customer's estimated maximum monthly bill.
 - c. The Company may review the customer's usage after service has been connected and adjust the deposit amount on the basis of the customer's actual usage.
- 8. Residential Customer Deposits will automatically be refunded by the Company after twelve (12) consecutive months during which time the customer has not been delinquent in the payment of utility bills or, at the discretion of the Company, at any time before service is discontinued. Upon final discontinuance of the use of the service and full settlement of all bills by the customer, any deposit, not previously refunded, with accrued interest, if any, in accordance with the provisions of this policy will be returned to the customer or at the Company's election, it may be applied to the payment of any unpaid accounts of the customer and the balance, if any, returned to the customer.
- The Company may require a customer to establish or reestablish a deposit if the customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or has been disconnected for nonpayment during the last twelve (12) months.
- 10. Deposits shall not prevent the Company from terminating the agreement for service with a customer or suspending service for any failure in the performance of customer obligations under the agreement for service or any violation of this District's Rules and Regulations.
- 11. Upon discontinuance of service, the Company may apply the deposit toward settlement of the customer's bill.

C. **GROUNDS FOR REFUSAL OF SERVICE**

- The Company may refuse to establish service if any of the following conditions exist:
 - a. The applicant has an outstanding amount due for the same class of utility service with the Company and the applicant is unwilling to make arrangements with the Company for payment.
 - b. A condition exists, or could occur, which in the Company's judgment is unsafe or hazardous to the applicant, the general population, or the Company's personnel or facilities.
 - c. Refusal by the applicant to provide the Company with a deposit.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

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Month Day Year

Month

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

- d. Customer is known to be in violation of the Company's tariffs filed with the Commission or of the Commission's Rules and Regulations.
- e. Failure of the customer to furnish such funds, service, equipment, and/or rights-of-way necessary to serve the customer and which have been specified by the Company as a condition for providing service.
- f. Applicant falsifies his or her identity for the purpose of obtaining service.

D. SERVICE ESTABLISHMENTS, REESTABLISHMENTS, OR RECONNECTION CHARGE:

- 1. The Company may make a charge as periodically filed with the Commission for establishment, reestablishment, reconnection or disconnection of utility services.
- 2. Should service be established or disconnected during a period other than regular working hours at the customer's request or cause, the customer may be required to pay an after hours charge. Where the Company's scheduling will not permit the requested service on the same day requested, the customer can elect to pay the after hours charge for the service that day.
- 3. For purposes of this tariff, service establishments are where the customer's facilities are ready and acceptable to the Company and the Company needs only to install a meter, read a meter, or turn the service on.

TEMPORARY SERVICE E.

- Applicants for temporary service may be required to pay the Company, in advance of service establishment, the estimated cost of installing and removing the facilities necessary for furnishing the desired service.
- 2. Where the duration of service is to be less than one month, the applicant may also be required to advance a sum of money equal to the estimated bill for service.
- 3. Where the duration of service is to exceed one month, the applicant may also be required to meet the deposit requirements of this District.
- 4. If at any time during the term of the agreement for service the character of a temporary customer's operations changes so that in the opinion of the Company the customer is classified as permanent, the terms of this District's main extension rules shall apply.

F. DOUBTFUL PERMANENCY

When in the Company's opinion, the permanent nature of the customer's requirement for water service is doubtful, the customer shall be required to enter into an agreement with the Company and shall advance the entire cost of construction, including the mains and associated equipment. The agreement shall include provisions for refund upon proof of permanency to the satisfaction of the Company.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

Month Day Year Month

Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

G. SERVICE LOCATION, INFORMATION

The Company reserves the right to determine the conditions under which extension will be made. Conditions for service and extending service to the customer will be based upon the following:

- a. All such installations shall be in accordance with the Company's specifications and located at an outdoor location accessible to the Company.
- Individual customers may be required to have their property corner pins and/or markers installed.
- c. Where the installation requires more than one meter for service to the premises, each meter pit or box shall be permanently marked (not painted) by the contractor or customer to properly identify the portion of the premises having service. The identification shall be the same as the apartment, office, etc. served by that meter. The identifying marking placed on each meter shall be impressed into or raised from a tag of aluminum, brass or other approved non-ferrous metal with maximum 1/4-inch-high letters. This tag must be attached to the meter pit or box. The impression must be deep enough to prevent the identification(s) from being obscured.

IDENTIFICATION OF PREMISES H.

The premises to be served by the Company shall be clearly identified by the customer at the time of application. If the service address is not recognized in terms of a commonly used identification system, the customer may be required to provide specific written directions and/or legal descriptions before the Company shall be required to act upon a request for water service.

SERVICE CALLS FOR ESTABLISHMENTS DURING REGULAR HOURS 1.

The customer for establishment of service by this District shall pay a minimum service charge of \$30.00. In addition, the Company may charge the customer for time, materials and equipment used by the Company if the establishment of service requires repairs or alterations to the Company facilities as a result of the following:

- 1. An interruption caused by the customer's willful act or omission, negligence or failure of customer-owned equipment, even though the Company is unable to perform any work beyond the Point of Delivery.
- 2. A required reconnection of water service to any customer previously disconnected for nonpayment.
- 3. Unlawful use of service, misrepresentation to the Company, unsafe conditions, threats to Company personnel or property, failure to permit safe access, detrimental effect of customer demands on the Company system, failure to establish credit and/or sign an agreement for service, or any other reason authorizing the Company to make connection.

SERVICE CALLS FOR ESTABLISHMENTS AFTER REGULAR HOURS J.

A service charge, not to exceed the actual cost of the employee's time and the materials and equipment used by the Company, will be imposed for a service call after regular hours for the following:

ISSUED:

September 15, 2015

Day Year

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EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 2 (continued) **ESTABLISHMENT OF SERVICE**

- 1. An interruption caused by the customer's willful act or omission, negligence or failure of customer-owned equipment, even though the Company is unable to perform any work beyond the Point of Delivery. The Company shall make reasonable effort to advise the customer about the possibility of such charges before the service call starts.
- 2. A required reconnection of water service to any customer previously disconnected for nonpayment.
- 3. Unlawful use of service, misrepresentation to the Company, unsafe conditions, threats to Company personnel or property, failure to permit safe access, detrimental effects of customer demands on the Company system, failure to establish credit and/or sign an agreement for service or any other reason authorizing the Company to make such disconnection. Such work will be performed only when requested and agreed to by the customer.

ISSUED:

September 15, 2015

Month

EFFECTIVE: September 1, 2015 Month Day Year

ISSUED BY: Sheryl L.

Day Year

Hubbard, Director, Regulatory and Rates

RULE NO. 3 MINIMUM CUSTOMER INFORMATION REQUIREMENTS

A. INFORMATION FOR RESIDENTIAL CUSTOMERS

- 1. The Company shall make available upon customer request not later than sixty (60) days from the date of request a concise summary of the rate schedule applied for by the customer. The summary shall include the following:
 - a. Monthly minimum or customer charge, identifying the amount of the charge and the specified amount of usage included in the minimum charge where applicable.
 - b. Rate blocks, where applicable.
 - c. Any adjustment factor(s) or tax impositions and methods of calculation.
- 2. The Company shall to the extent practical, identify the tariff most advantageous to the customer and notify the customer of such prior to service commencement.
- 3. In addition, the Company shall make available upon customer request not later than sixty (60) days from the date of request a copy of this District's Rules and Regulations governing:
 - a. Deposits
 - b. Termination of service
 - c. Billing and collection
 - d. Complaint handling
- 4. The Company, upon written request of a customer, not more than once each calendar year, shall transmit a concise statement of actual consumption by such customer for each billing period during the prior twelve (12) months, unless such data is not reasonably ascertainable.
- 5. The Company shall inform all new customers of their right to obtain the information specified above.

B. INFORMATION REQUIRED DUE TO CHANGES IN TARIFFS

Month

- 1. The Company shall transmit to affected customers, by the most economic means available, a concise summary of any change in the Company's tariffs affecting those customers.
- This information shall be transmitted to the affected customer within sixty (60) days of the effective date of the change.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

Day Year

Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 4 SERVICE CONNECTIONS AND REESTABLISHMENTS

A. PRIORITY AND TIMING OF SERVICE ESTABLISHMENTS

- 1. After an applicant has complied with the Company's application and deposit requirements and has been accepted for service by the Company, the Company shall schedule that customer for service connection and/or establishment.
- 2. Service establishments shall be scheduled for completion within five (5) working days of the date the customer has been accepted for service, except in those instances when the customer requests service establishment beyond the five (5) working day limitation.
- 3. When the Company has made arrangements to meet with a customer for service establishment purposes and the Company or the customer cannot make the appointment during the prearranged time, the Company shall reschedule the service establishment to the satisfaction of both parties.
- 4. The Company shall schedule service establishment appointments within a maximum range of four (4) hours during normal working hours, unless another time frame is mutually acceptable to the Company and its customer.
- 5. Service establishments shall be made only by qualified Company service personnel or persons authorized by the Company.
- 6. For the purpose of this tariff, service establishments are where the customer's facilities are ready and acceptable to the Company and the Company needs only to install or read a meter or turn the service on.

B. SERVICE LINES

- 1. An applicant for service shall be responsible for the cost of installing their piping up to the meter (i.e., the "Customer Piping").
- 2. An applicant for service shall pay to the Company as a refundable advance in aid of construction a sum for each meter and service line. Where service is being provided for the first time, the sum paid to the Company shall be per the tariff. Where a second meter and service line for a single lot is requested by a customer, which may be for domestic use, irrigation, or fire protection, Company may charge the actual cost of installing the second meter and service line.
- 3. Except where the refundable advances in aid of construction for meters and service lines have been included in refundable advances in aid of construction for main extensions and thus are refundable pursuant to main extension contracts approved by the Commission, each advance in aid of construction for a service line or meter shall be repaid by the Company by an annual credit of one-tenth of the amount received. Said credit to be applied upon the water bill rendered in November of each year until fully paid, for each service line and meter for which the advance was made, and said credit to commence in the month of November for all such advances received during the preceding calendar year.
- 4. Where service is being provided for the first time, the customer shall provide and maintain a private cutoff valve within eighteen (18) inches of the meter on the customer's side of the meter, and the Company shall provide a like valve on the Company's side of such meter.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

Month

Day Year

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 4 MINIMUM CUSTOMER INFORMATION REQUIREMENTS (continued)

- 5. The Company may install its meter at the property line or, at the Company's option, on the customer's property in a location mutually agreed upon. If on the customer's property, customer shall grant an easement to Company to allow Company to access and maintain the meter and service line.
- 6. Where the meter or service line location on a customer's premises is changed at the request of the customer or due to alterations on the customer's premises, the customer shall provide and install at the customer's expense all Customer Piping. Company may charge the actual cost of removing the meter or service line and may charge the actual cost of installing a new meter or service line.
- 7. The customer's piping must be installed in such a manner as to prevent cross-connection or backflow. Any alteration or repairs done by the customer to the customer's plumbing shall also include bringing the customer's piping up to current Company standards.
- 8. The Company shall retain the right to specify the location and size of any meter setting or service connection.

C. CUSTOMER PROVIDED EQUIPMENT, SAFETY AND OPERATION

Each customer shall be responsible for maintaining all equipment and facilities used for Company services located on the customer's side of the meter in a safe operating condition.

D. **EASEMENTS AND RIGHTS-OF-WAY**

- 1. Each customer shall grant adequate easements and rights-of-way satisfactory to the Company to ensure that customer's proper service connection. Failure on the part of the customer to grant adequate easements and rights-of-way shall be grounds for the Company to refuse service.
- When the Company discovers that a customer or the customer's agent is performing work or has constructed facilities adjacent to or within an easement or right-of-way and such work, construction, or facility poses a hazard or is in violation of federal, state or local laws, ordinances, statutes, rules or regulations, or significantly interferes with the Company's access to equipment, the Company shall notify the customer or the customer's agent and shall take whatever actions are necessary to eliminate the hazard, obstruction or violation at the Customer's expense.
- If it is necessary for the Company to excavate in an easement or right-of-way to extend or repair water facilities, the Company will not be responsible for the cost to replace or repair landscaping, fences, trees, shrubs, structures, etc., placed within the easement or right-of-way.
- The Company shall at all times have the right of safe ingress and egress from the customer's premises at all reasonable hours for any purpose reasonably connected with the Company's property used in furnishing service.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015 Month

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ISSUED BY: Sheryl L Hubbard, Director, Regulatory and Rates

RULE NO. 5 MAIN EXTENSION AGREEMENTS

- A. EXTENSIONS OF MAINS AND SERVICES: ADVANCES IN AID OF CONSTRUCTION -**GENERAL REQUIREMENTS**
 - 1. The Company will supply service for temporary purposes, provided that the Company has water available in excess of the Company's regular needs, and provided the Company has available material and equipment necessary to supply said service. Each applicant for such service must pay in advance, to the Company, the Company's estimate of the cost of labor and materials, less salvage value on removal, for installing and removing such service.
 - 2. An applicant for the extension of mains shall be required to pay the Company, as a refundable advance in aid of construction, before construction is commenced, the estimated reasonable cost of all mains, distribution lines and service lines, including all valves, fittings, meters, other costs and reasonable overheads.
 - a. Upon request by a potential applicant for a main extension, the Company shall prepare, without charge, a preliminary sketch and rough estimate of the cost of installation to be paid by said applicant.
 - b. Any applicant for a main extension requesting the Company to prepare detailed plans, specifications, or cost estimates may be required to deposit with the Company an amount equal to the estimated cost of preparation. The Company shall, upon request, make available within forty-five (45) days after receipt of the deposit referred to above, such plans, specifications, or cost estimates of the proposed main extension. Where the applicant accepts the plans and the Company proceeds with construction of the extension, the deposit shall be credited to the cost of construction; otherwise the deposit shall be nonrefundable. If the extension is to include oversizing of facilities to be done at the Company's expense, appropriate details shall be set forth in the plans, specifications and cost estimates.
 - c. In the event that additional facilities are required to provide or sustain pressure, storage, or water supply for the new service or services requested, or for existing customers as a consequence of the extension of service, and the cost of the additional facilities is disproportionate to anticipated revenues to be derived from the future customers, the estimated reasonable cost of such additional facilities may be included in refundable advances in aid of construction to be paid to the Company.
 - 3. Refunds of advances shall be made in accordance with the following method: the Company shall each year, pay to the party making an advance under a main extension agreement, or that party's assigns or other successors in interest where the Company has received notice and evidence of such assignment or succession, an amount equal to ten percent (10%) of the total gross annual revenue, less any gross receipts or sales taxes and amounts payable to any municipalities or others for treatment and/or transmission of water, from each bonafide customer whose service is connected directly to main or extension lines covered by the main extension agreement. Refunds shall not be made for any period after the expiration of ten (10) years from the date of the advance. Refunds shall be made by the Company on or before the 31st day of August of each year, covering any refunds owing from water revenues received during the preceding July 1st to June 30th period. A balance remaining at the end of the ten-year period

ISSUED:

September 15, 2015

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EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

shall become non-refundable, and the balance not refunded shall be entered as a contribution in aid of construction in the accounts of the Company

- The aggregate refunds shall in no event exceed the total of the refundable advances in aid of construction. No interest shall be paid by the Company on any amount advanced. The Company shall make no refunds from any revenues received from any lines or mains, other than customer service lines, leading up to or taking off from the particular main extension covered by the agreement.
- 5. The Company may, upon approval by the Commission, terminate its obligation to refund a percentage of gross revenues from a main extension by accord and satisfaction of its obligations under the main extension agreement.
- 6. All agreements entered into shall be evidenced by a written agreement, signed by the Company and all parties advancing the funds for advances in aid of construction, or the duly authorized agents of each.
- 7. The size, type and quality of materials and of the system, installed location in the ground, and the manner of installation shall be specified by the Company, and shall comply with the requirements of the Commission or other public agencies having authority therein. The Company may install main extensions of any diameter meeting the requirements of the Commission or any other public agencies having authority over the construction and operation of the water system.
- 8. All mains, valves, fittings, wells, meters, tanks, and other facilities installed shall be the sole property of the Company, and parties making advances in aid of construction shall have no right, title or interest in any such facilities.
- 9. The Company, upon written request, shall furnish to any party seeking to enter into a main extension agreement a schedule of the proposed reasonable contract price for such extension of mains or other facilities. Such schedules show a breakdown of the contract prices of materials and costs of installation. Different sizes and types of mains shall be separately stated. Valves, meters, and fittings shall be separately stated or listed as a percentage of total cost. All advances shall be made without provision for profit to the Company but shall include reasonable overheads.
- 10. The Company shall schedule, within reason, new requests for main extension agreements, and for service under main extension agreements, promptly and in the order received.
- 11. If an applicant for service seeking to enter into a main extension agreement deems the contract price or the time of performance to be unreasonable, the applicant may solicit bids from bonded contractors, provided that all bids shall be submitted by the bid date stipulated by the Company. If a lower bid is obtained, or if a bid is obtained at an equal price with a more appropriate time of performance, and if such bid contemplates total conformity with the Company's requirements and specifications, the Company shall be required to meet the terms and conditions of the bid proffered, or to enter into a construction contract with the contractor proffering such bid. A performance bond in the total amount of the contract may be required by the Company from the contractor prior to construction.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

- 12. In the case of disagreement or dispute regarding the application of this rule or any of its several provisions, or where the application of this rule works an injustice or undue hardship upon any party or anticipated party to any agreement hereunder, the party aggrieved may refer the matter to the Commission for hearing and decision in accordance with the Rules of Practice and Procedure of the Commission.
- 13. All agreements shall be filed with and approved by the Utilities Division of the Commission. Where agreements for extension of service are not filed and approved, all advances in aid of construction shall be immediately due and payable to any person making such an advance.
- 14. No extension of facilities shall be made without first having received approval of plans and specifications of such extensions or installations from the Arizona Department of Environmental Quality or its successor or delegate. A copy of such written approval shall then be filed with the Utilities Division of the Arizona Corporation Commission.

B. WRITTEN AGREEMENT REQUIREMENTS

- 1. Each main extension agreement shall include the following information:
 - a. Name and address of applicant(s).
 - b. Proposed service address or location.
 - c. Description of requested service.
 - d. Description and map of the requested line extension.
 - e. Itemized cost estimate to include materials, labor and other costs as necessary.
 - f. Payment terms.
 - g. A clear and concise explanation of any refunding provisions, if applicable.
 - h. Company's estimated start date and completion date for construction of the main extension.
- 2. Each applicant shall be provided with a copy of the written main extension agreement.

C. FINAL COST

- 1. In the event the Company's actual completed cost is less than the amount advanced by the customer, the Company shall make a refund to the applicant within thirty (30) days after completion of the construction or Company's receipt of invoices related to that construction.
- 2. In the event the Company's actual completed cost is more than the amount advanced by the customer the Company shall notify the applicant and the applicant shall remit additional funds within thirty (30) days of notification of the actual completed cost. Should the applicant fail to remit additional funds, service may be discontinued to the extension until the actual completed cost is paid in full.

D. CONSTRUCTION/FACILITIES RELATED INCOME TAXES

- 1. Definitions:
 - a. "Company" or "utility" refers to the entity authorized to provide public utility service in the geographic area involved.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

- b. "Rate Basing" The Company pays federal income tax (FIT) and state income tax (SIT), if any, due on the receipt of an Advance in Aid of Construction (AIAC) or a Contribution in Aid of Construction (CIAC) in accordance with the Tax Reform Act of 1986 (TRA-86), as amended. Tax paid is included in the Deferred Income Tax Account and is used in the calculation of rate base. This amount is reduced by the effect of tax depreciation received for AIAC/CIAC plant and tax deductions resulting from refunds of AIAC.
- c. "Full Gross Up" Utility requires contributor/advancer to pay entire FIT/SIT plus a gross-up to reflect the tax on tax resulting from treating effected AIAC/CIAC payments as taxable income.
- 2. For construction or proposed construction which, in the judgment of the Company, will be utilized by ultimate customers of the Company in the near future, the Company shall account for the advances and/or contributions required by this Rule by "Rate Basing" them as defined in Paragraph D.1.b. No additional tax related amount should be required with the AIAC or CIAC.
- 3. For construction or proposed construction costs collected pursuant to tariff provisions, Commission Rules and Regulations, or orders, and which are subject to Paragraph D.4 the Company shall require contributor/advancer to provide funds necessary for Company to pay the state and federal tax obligations associated with the subject construction or proposed construction.
- In the event the Company determines that the required construction, proposed construction or development fall within certain criteria, some of which are set forth below, Company may petition the Commission to authorize it to collect from the contributor/advancer funds sufficient to pay the "Full Gross Up" of the state and federal income taxes as defined in Paragraph D.1.c. Without intending to limit, examples of events which shall cause Company to require contributor/ advancer to advance the taxes as contemplated herein are as follows:
 - a. The development or build-out of the project is remote or speculative; or
 - b. The size of the development, as compared to the size of the Company's customer base, represents undue risk for the Company; or
 - c. The size of the advance/contribution or its related cost is extraordinarily large relative to the Company's rate base or revenues; or
 - d. The public interest is better served by treating the advance/contribution as other than the "Rate Basing" methodology.

The Company must present sufficient evidence that its request to require "Full Gross Up" of taxes under this paragraph is in the public interest. The Commission may deny, alter, or amend the Company's petition for authorization to require "Full Gross Up".

5. In the event contributor/advancer is required by other tariff, agreement, rule or order to advance Facilities for the subject development, those AIAC/CIAC's shall be subject to the provisions of this Section D.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

- 6. If, in the judgment of the Company based upon the specific development, tax or regulatory considerations, it is deemed inappropriate to utilize either the "Rate Basing" methodology, or the "Full Gross Up" methodology, the Company shall obtain specific Commission approval authorizing alternative treatment.
- 7. Paragraphs 1-7 of this Section of the Extension Rule shall apply to all refundable AIAC and CIAC agreements entered into on or after September 1, 1988, as well as to all prior AIAC and CIAC agreements performed in any manner after September 1, 1988.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

Month Day Year Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 6 PROVISION OF SERVICE

COMPANY RESPONSIBILITY

- 1. The Company shall be responsible for providing potable water to the customer's Point of Delivery.
- 2. The Company may, at its option, refuse service until the customer has obtained all required permits and/or inspections indicating that the customer's facilities comply with local construction and safety standards.

CUSTOMER RESPONSIBILITY B.

- 1. Each customer shall be responsible for maintaining all facilities on the customer's side of the Point of Delivery in a safe and efficient manner and in accordance with the requirements of the Arizona Department of Environmental Quality, County and Municipal authorities, and the prescribed specifications of the Company.
- 2. Each customer shall be responsible for safeguarding all Company property installed in or on the customer's premises for the purpose of supplying water to that customer.
- 3. Each customer shall exercise all reasonable care to prevent loss or damage to Company property, excluding ordinary wear and tear. The customer shall be responsible for loss of or damage to Company property on the customer's premises arising from neglect, carelessness, or misuse and shall reimburse the Company for the cost of necessary repairs and replacements.
- 4. Each customer shall be responsible for payment for any equipment damage resulting from unauthorized breaking of seals, interfering, tampering, or bypassing the Company meter.
- 5. The customer shall be responsible for notifying the Company of any failure identified in the Company's equipment.
- 6. Water furnished by this District shall be used only on the customer's premises and shall not be resold to any other person. During critical water conditions, as determined by the Commission, the customer shall use water only for those purposes specified by the Commission. Disregard of this rule shall be sufficient cause for refusal or discontinuance of service.
- 7. The customer agrees, when accepting service, that no one except Company employees or persons authorized by the Company shall be allowed to operate, remove or replace any Company owned equipment installed on customer's property.
- 8. No person, except an employee or persons acting on behalf of the Company shall alter, remove or make any connection to the Company's meter or service equipment.
- 9. No meter seal may be broken or removed by anyone other than an employee or person acting on behalf of the Company. However, the Company may give its prior consent to break the seal by an approved plumber employed by a customer when deemed necessary by the Company.

ISSUED:

September 15, 2015

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EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 6 (continued) PROVISION OF SERVICE

- 10. The customer will be held responsible for any broken seals, tampering, or interfering with the Company's meter(s) or any other Company owned equipment installed on the customer's premises. In cases of tampering with meter installations, interfering with the proper working thereof, or any such tampering, interfering, theft, or service diversion, including the falsification of customer's meter readings, that customer shall be subject to immediate discontinuance of service. The Company shall be entitled to collect from the current customer under the appropriate rate, for all consumption not recorded on the meter as the result of such tampering, or other theft of service, and also any additional security deposits as well as all expenses incurred by the Company for property damages, investigation of the illegal act, and all legal expenses and court costs, if necessary.
- 11. The customer will be held liable for any loss or damage occasioned or caused by the customer's negligence, want of proper care or wrongful act or omission on the part of any customer's agents, employees, licenses, or contractors.

C. CONTINUITY OF SERVICE

The Company shall make reasonable efforts to supply a satisfactory and continuous level of service. However, the Company shall not be responsible for any damage or claim of damage attributable to any interruption or discontinuation of service resulting from:

- a. Any cause against which the Company could not have reasonably for seen or made provision for, i.e., force majeure.
- b. Intentional service interruptions to make repairs or perform routine maintenance.
- c. Curtailment.

SERVICE INTERRUPTIONS D.

- 1. The Company shall make reasonable efforts to reestablish service within the shortest possible time when service interruptions occur.
- 2. The Company shall make reasonable provision to meet emergencies resulting from failure of service, and shall issue instructions to its employees covering procedures to be followed in the event of emergency in order to prevent or mitigate interruption or impairment of service.
- 3. In the event of a national emergency or local disaster resulting in disruption of normal service, the Company may, in the public interest, interrupt service to other customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.
- When the Company plans to interrupt service for more than four (4) hours to perform necessary repairs or maintenance the Company shall attempt to inform affected customers at least twenty-four (24) hours in advance of the scheduled date and estimated duration of the service interruption. Such repairs shall be completed in the shortest possible time to minimize the inconvenience to the customers.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 6 (continued) PROVISION OF SERVICE

The Commission shall be notified of interruptions in service affecting the entire system or any major division thereof. The interruption of service and cause shall be reported within four (4) hours after the responsible representative of the Company becomes aware of said interruption, by telephone to the Commission, and followed by a written report to the Commission.

E. MINIMUM DELIVERY PRESSURE

The Company shall maintain a minimum standard delivery pressure of 20 pounds per square inch gauge (PSIG) at the customer's meter or Point of Delivery.

F. **CONSTRUCTION STANDARDS**

The Company shall construct or cause to be constructed all facilities in accordance with the guidelines established by the Arizona Department of Environmental Quality or its successor, delegate or any other governmental agency having jurisdiction thereof, and the Company. Phased construction is acceptable.

G. **ELECTION OF RATE SCHEDULES**

The Company shall use its best efforts to select the most favorable rate for which the customer is eligible based on available data at the time of application. The Company shall use its best efforts for notifying the customer of the most favorable rate schedule if the class has changed after initial application, and shall not be required to refund the difference in charge under different rate schedules. Upon written application of any material changes in the customer installation, the Company will assist in determining if a change in rate schedule is desirable.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015 Day Year

Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

Mohave Water District

(Name of Service Area)

RULE NO. 7 METER READING

FREQUENCY A.

Each meter shall be read monthly or as close to the same day of each month as practicable unless otherwise approved by the Commission.

B. MEASURING OF SERVICE

- 1. All water delivered by the Company shall be billed upon the basis of metered volume sales, except that the Company may, at its option, provide a fixed charge for the following:
 - a. Temporary service where the water use can be readily estimated.
 - b. Public and private fire protection service.
 - c. Water used for street sprinkling and sewer flushing, when provided for by contract between the Company and the municipality or other local governmental authority.
 - d. Other fixed charge schedules as shall be submitted to and approved by the Commission.
- 2. When there is more than one meter at a location, the metering equipment shall be so tagged or plainly marked as to indicate tie facilities being metered.

C. **CUSTOMER REQUESTED REREADS**

- 1. The Company shall at the request of the customer reread the customer's meter within ten (10) working days after such request by the customer.
- 2. Any rereads shall be charged to the customer at the rate on file and approved by the Commission, provided that the original reading was not in error. Adjustment for reasonable usage since the original reading was taken shall be considered when determining the original reading.
- 3. When the original reading is found to be in error, the reread shall be at no charge to the customer, given adjustment for reasonable usage since the original reading was taken.

D. ACCESS TO CUSTOMER PREMISES

The Company shall at all times have the right of safe ingress to and egress from the customer's premises at all reasonable hours for any purpose reasonably connected with the Company's property used in furnishing service and the exercise of any and all rights secured to it by law or these rules.

ISSUED:

September 15, 2015 Month

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 7 (continued) METER READING

- METER TESTING AND MAINTENANCE PROGRAM. E.
 - 1. The Company shall establish a regular program of meter testing taking into account the following factors:
 - a. Size of meter
 - b. Age of meter
 - Consumption
 - Characteristics of water
- F. **CUSTOMER REQUESTED METER TESTS**

The Company shall test a meter upon customer request, and shall be authorized to charge the customer for such meter test according to the tariff on file and approved by the Commission. However, if the meter is found to over register by more than three percent (3%), no meter-testing fee will be charged to the customer.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

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RULE NO. 8 BILLING AND COLLECTION

FREQUENCY AND ESTIMATED BILLS

- 1. The Company shall bill monthly for services rendered. Meter readings shall be scheduled for periods of not less than twenty-five (25) days or more than thirty-five (35) days, unless otherwise approved by the Commission.
- 2. If the Company is unable to read the meter on a scheduled meter read date, it will estimate the consumption for the billing period giving consideration to the following factors when applicable:
 - a. The customer's usage during the same month of the previous year.
 - b. The amount of usage during the preceding month.
- 3. After the second consecutive month of estimating the customer's bill for reasons other than severe weather or standard billing practice as approved by the Commission, the Company will attempt to secure an accurate reading of the meter.
- 4. Failure on the part of the customer to comply with a reasonable request by the Company for access to its meter may lead to the termination of service.
- 5. Estimated bills will be issued only under the following conditions:
 - a. Failure of a customer who reads his own meter to deliver his meter reading card to the Company in accordance with the requirements of the Company's billing cycle.
 - b. Severe weather conditions that prevent the Company from reading the meter.
 - c. Circumstances that make it dangerous or impossible to read the meter, i.e., locked gates, blocked meters, vicious or dangerous animals, etc.
 - d. Other billing cycles as approved by the Commission.
- 6. Each bill based on estimated usage will indicate that it is an estimated bill.

В. COMBINING METERS, MINIMUM BILL INFORMATION

- 1. Each meter at a customer's premises will be considered separately for billing purposes, and the readings of two or more meters will not be combined.
- 2. Each bill for residential service will contain the following minimum information:
 - a. Date and meter reading at the end of the actual or estimated billing period.
 - b. Previous month's actual or estimated meter reading and date.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

Month Day Year Day Year

2355 West Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027

Decision No. 75268

RULE NO. 8 (continued) BILLING AND COLLECTION

- Billing usage.
- Company telephone number.
- e. Customer's name.
- Service account number.
- g. Amount due and terms of payment.
- h. Past due amount where appropriate.
- Adjustment factor, where applicable. i.
- Privilege, sales or use tax, and any regulatory assessment applicable. j.
- k. Other approved tariff charges.

BILLING TERMS C.

- 1. All bills for services are due and payable when rendered. All bills not paid within fifteen (15) days shall be considered delinquent.
- 2. For purposes of this rule, the date a bill is rendered may be evidenced by:
 - a. The postmark date.
 - b. The mailing date.
- 3. All delinquent bills shall be subject to the provisions of the Company's termination procedures.
- 4. All payments shall be made at offices of the Company or designated payment stations, or to the address shown on the bill form.
- D. APPLICABLE TARIFFS, PREPAYMENT, FAILURE TO RECEIVE, COMMENCEMENT DATE, TAXES
 - 1. Each customer shall be billed under the applicable tariff indicated in the customer's application for service.
 - 2. The Company shall make provisions for advance payment for services.
 - 3. Failure to receive bills or notices that have been properly placed in the United States mail shall not prevent such bills from becoming delinquent nor relieve the customer of his obligations therein.
 - 4. Charges for service commence when the service is installed and connection made, whether used or not.

ISSUED:

September 15, 2015

Day Year

EFFECTIVE: September 1, 2015

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 8 (continued) BILLING AND COLLECTION

5. In addition to the collection of regular rates, the Company may collect from its customers a proportionate share of any privilege, sales or use tax, or other imposts based on the gross revenues received by the Company.

E. METER ERROR CORRECTIONS

- 1. If any meter after testing is found to be more than three percent (3%) in error, either fast or slow, proper correction between three percent (3%) and the amount of the error shall be made of previous readings, and adjusted bills shall be rendered according to the following terms:
 - a. For the period of three (3) months immediately preceding the removal of such meter from service for test or from the time the meter was in service since last tested, but not exceeding three (3) months since the meter shall have been shown to be in error by such test, or
 - b. From the date the error occurred, if the date of the cause can be definitely fixed.
- 2. The Company will make no adjustment, except to the customer last served by the meter tested.

F. **INSUFFICIENT FUNDS (NSF) CHECKS**

- 1. The Company shall be allowed to recover a fee, as approved by the Commission for each instance where the customer tenders payment for service with an insufficient funds check, and require a security deposit equal to that prescribed in Section B, provision 7 of Rule No. 2.
- 2. When the Company is notified by the customer's bank that there are insufficient funds to cover the check tendered for service, the Company may require the customer to make payment in cash, money order, certified check, or other means which guarantee the customer's payment to the Company.
- 3. A customer who tenders an insufficient funds check shall in no way be relieved of the obligation to render payment to the Company under the original terms of the bill nor defer the Company's provision for termination of service for nonpayment of bills.
- 4. The Company will not accept personal checks if two (2) NSF checks have been received within a twelvemonth period in payment of any billing.

G. DEFERRED PAYMENT PLAN

- 1. The Company may, prior to termination, offer to qualifying residential customers a deferred payment plan for the customer to retire unpaid bills for service.
- 2. Each deferred payment agreement, entered into in writing by the customer and the Company, due to the customer's inability to pay an outstanding bill in full shall provide that service will not be discontinued if:
 - a. Customer agrees to pay a reasonable amount of the outstanding bill at the time the parties enter into the deferred payment plan.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015 Day Year

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 8 (continued) BILLING AND COLLECTION

- b. Customer agrees to pay all future bills for service in accordance with the billing and collection tariffs of the Company.
- c. Customer agrees to pay a reasonable portion of the remaining outstanding balance in installments over a period not to exceed six (6) months.
- 3. For the purpose of determining a reasonable installment payment schedule under these rules, the Company and the customer shall give consideration to the following conditions:
 - a. Size of the delinquent account.
 - b. Customer's ability to pay.
 - c. Customer's payment history.
 - d. Length of time that the debt has been outstanding.
 - e. Circumstances that resulted in the debt being outstanding.
 - f. Any other relevant factors related to the circumstances of the customer.
- 4. Any customer who desires to enter into a deferred payment agreement shall establish such agreement prior to the Company's scheduled termination date for nonpayment of bills. A customers' failure to execute a deferred payment agreement prior to the scheduled termination date shall not prevent the Company from terminating service for nonpayment.
- 5. Deferred payment agreements shall be in writing and signed by the customer and an authorized Company representative
- 6. A deferred payment agreement may include a finance charge as approved by the Commission in a tariff proceeding,
- 7. If a customer has not fulfilled the terms of a deferred payment agreement, the Company shall have the right to disconnect service pursuant to this District's termination of service rules and, under such circumstances, it shall not be required to offer subsequent negotiation of a deferred payment agreement prior to termination.

H. LATE PAYMENT PENALTY

- 1. The Company may include in its tariffs a late payment penalty that may be applied to delinquent bills.
- 2. The amount of the late payment penalty shall be indicated upon the customer's bill when rendered by the Company.
- 3. In the absence of an approved tariff, the amount of the late payment penalty shall not exceed 1½% per month of the delinquent bill, applied on a monthly basis.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

Month Day Year Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

CHANGE OF OCCUPANCY

l.

Mohave Water District (Name of Service Area)

RULE NO. 8 (continued) BILLING AND COLLECTION



- 1. Not less than three (3) working days advance notice must be given in person, in writing, or by telephone at the Company office to discontinue service or to change occupancy.
- 2. The outgoing party shall be responsible for all utility services provided and/or consumed up to, and including the scheduled turn off date.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015 Month Day Year

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 9 TERMINATION OF SERVICE

NONPERMISSIBLE TERMINATION OF SERVICE A.

The Company may not disconnect service for any of the reasons stated below:

- a. Delinquency in payment for services rendered to a prior customer at the premises where service is being provided, except in the instance where the prior customer continues to reside on the premises.
- b. Failure of the customer to pay for services or equipment not regulated by the Commission.
- c. Nonpayment of a bill related to another class of water service.
- d. Failure to pay for a bill to correct a previous under-billing due to a billing error, inaccurate meter reading or meter failure, if the customer and Company agree in writing to payment terms over a reasonable period of time.
- e. Disputed bills where the customer has complied with the Commission's rules and regulations.

B. TERMINATION OF SERVICE WITHOUT NOTICE

- 1. Company service may be disconnected without advance written notice under the following conditions:
 - a. The existence of an obvious hazard to the safety or health of the consumer, the general population, Company personnel or facilities.
 - b. The Company has evidence of meter fraud.
 - Unauthorized resale or use of utility services.
 - d. Failure of a customer to comply with the curtailment of procedures imposed by a utility during supply shortages.
- The Company shall not be required to restore service until the conditions that resulted in the termination have been corrected to the satisfaction of the Company.
- The Company shall maintain a record of all terminations of service without notice. This record shall be maintained for a minimum of one (1) year and shall be available for inspection by the Commission.

C. TERMINATION OF SERVICE WITH NOTICE

- The Company may disconnect service to any customer for any reason stated below, provided the Company has met the notice requirements established by the Commission.
 - a. Customer violation of any of the Company's tariffs filed with the Commission and/or violation of the Commission's rules and regulations.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

Day Year

Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

2355 West Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027

Decision No. 75268

RULE NO. 9 (continued) TERMINATION OF SERVICE

- b. Failure of the customer to pay a delinquent bill for water service.
- c. Failure to meet or maintain the Company's credit and deposit requirements.
- d. Failure of the customer to provide the Company reasonable access to its equipment and property.
- e. Customer breach of a written contract for service between the Company and customer.
- f. When necessary for the Company to comply with an order of any governmental agency having such jurisdiction.
- g. The Company may terminate water service to effect sewer service termination when it provides both services to the same customer upon the same premises.
- 2. The Company shall maintain a record of all terminations of service with notice. This record shall be maintained for one (1) year and be available for Commission inspection.

D. TERMINATION NOTICE REQUIREMENTS

- 1. The Company shall not terminate service to any of its customers without providing advance written notice to the customer of the Company's intent to disconnect service, except under those conditions specified where advance written notice is not required.
- 2. Such advance written notice shall contain, at a minimum, the following information:
 - a. The name of the person whose service is to be terminated and the address where service is being rendered.
 - b. The Commission rule or regulation that was violated and an explanation thereof or the amount of the bill which the customer has failed to pay in accordance with the payment policy of this District, if applicable.
 - c. The date on or after which service may be terminated.
 - d. A statement advising the customer to contact the Company at a specific address or phone number for information regarding any deferred payment or other procedures which the Company may offer or to work out some other mutually agreeable solution to avoid termination of the customer's service.
 - e. A statement advising the customer that the Company's stated reason for the termination of service may be disputed by contacting the Company at a specified address and phone number, advising the Company of the dispute and making arrangements to discuss the cause for termination with a responsible employee of the Company in advance of the scheduled date of termination. The responsible employee shall be empowered to resolve the dispute and the Company shall retain the option to terminate service after affording this opportunity for a meeting and concluding that the reason for termination is just and advising the customer of his right to file a complaint with the Commission.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

Day Year

ISSUED BY: Shervi L. Hubbard, Director, Regulatory and Rates

Day Year

RULE NO. 9 (continued) TERMINATION OF SERVICE

E. TIMING OF TERMINATION WITH NOTICE

- 1. The Company shall be required to give at least (10) days advance notice prior to termination date.
- 2. Such notice shall be considered to be given to the customer when a copy thereof is left with the customer or posted first class in the United States mail, addressed to the customer's last known address.
- 3. If after the period of time allowed by the notice has elapsed and the delinquent account has not been paid nor arrangements made with the Company for the payment thereof or in the case of a violation of the Company's rules the customer has not satisfied the Company that such violation has ceased, the Company may then terminate service on or after the day specified in the notice without giving further notice.
- 4. An authorized representative of the Company may only disconnect service in conjunction with a personal visit to the premises.
- 5. The Company shall have the right (but not the obligation) to remove any or all of its property installed on the customer's premises upon the termination of service.

F. LANDLORD/TENANT RULE

- 1. In situations where service is rendered at an address different from the mailing address of the bill or where the Company knows that a landlord/tenant relationship exists and that the landlord is a customer of the Company. and where the landlord as customer would otherwise be subject to disconnection of service, the Company may not disconnect service until the following actions have been taken:
 - a. Where it is feasible to so provide service, the Company, after providing notice as required in these rules, shall offer the occupant the opportunity to subscribe for service in his or her own name. If the occupant then declines to so subscribe, the Company may disconnect service pursuant to the rules.
 - b. The Company shall not attempt to recover from a tenant, or condition service to a tenant upon, payment of any outstanding bills or other charge due upon the outstanding account of the landlord.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

Day Year

Month Day Year Month

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

RULE NO. 10 ADMINISTRATIVE AND HEARING REQUIREMENTS

CUSTOMER SERVICE COMPLAINTS

- 1. The Company shall make full and prompt investigation of all service complaints made by its customers, either directly or through the Commission.
- 2. The Company shall respond to the complaint and/or the Commission representative within five (5) working days as to the status of the Company investigation of the complaint.
- 3. The Company shall notify the complainant and/or the Commission representative of the final disposition of each complaint. Upon request of the complainant or the Commission representative, the Company shall report the findings of its investigation in writing.
- 4. The Company shall inform the customer of his right of appeal to the Commission should the results of the Company's investigation prove unsatisfactory to the customer.
- The Company shall keep a record of all written service complaints received which shall contain, at a minimum, the following data:
 - a. Name and address of complainant.
 - b. Date and nature of complaint.
 - c. Disposition of the complaint.
 - d. A copy of any correspondence between the Company, the customer, and/or the Commission.

This record shall be maintained for a minimum period of one (1) year and shall be available for inspection by the Commission.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

Month Day Year Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory and Rates

Sun City Water Tariff

Sun City Water District (Name of Service Area)

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EPCOR	Water	Arizona	Inc.
	(Name	of Compar	1V)

3rd Revised SHEET NO.	<u> </u>
Canceling 2nd Revised SHEET NO.	1

Sun City Water District (Name of Service Area)

General Water Rate G-1

Availability

Available for all metered residential, commercial, industrial and public authority customers served by this District.

Schedule of Charges

		Tier One	Tier Two	Tier Three	Tier Four	Tier Five
	Basic	0 — 1,000	1,001-3,000	3,001 - 9,000	9,001 - 12,000	Over 12,000
Meter Size	Service	Gallons	Gallons	Gallons	Gallons	Gallons
WELET OIZE	Charge	Commodity	Commodity	Commodity	Commodity	Commodity
	1	Rate	Rate	Rate	Rate	Rate *
		_(per 1,000 gallons)	(per 1,000 gallons)	(per 1,000 gallons)	(per 1,000 gailons)	(per 1,000 gallons)
Residential						
5/8 x 3/4-inch Low Income *	\$6.01	\$0.74	\$1.08	\$1.69	\$1.92	\$2.1809
5/8 x 3/4-inch	\$10.02	\$0.74	\$1.08	\$1.69	\$1.92	\$2.1809
3/4-inch	\$11.50	\$0.74	\$1.08	\$1.69	\$1.92	\$2.1809
1-inch	\$25.00	\$0.74	\$1.08	\$1.69	\$1.92	\$2,1809

		Tier	One	Tier Two		
Meter Size	Basic Service Charge	Commodity Rate (per 1,000 gallons)	Upper Limit (gallons)	Commodity Rate • (per 1,000 gallons)	Second Tier Breakover (gallons)	
<u>Residential</u>						
1.5-inch	\$50.10	\$1.69	55,000	\$2.1809	Over 55,000	
2-inch	\$80.20	\$1.69	90,000	\$2.1809	Over 90,000	
3-inch	\$160.40	\$1.69	200,000	\$2.1809	Over 200,000	
4-inch	\$250.60	\$1.69	300,000	\$2.1809	Over 300,000	
6-inch	\$501.20	\$1.69	650,000	\$2.1809	Over 650,000	
8-inch	\$801.90	\$1.69	1,000,000	\$2.1809	Over 1,000,000	

M eter Size		Tier One	Tier Two	Tier Three	Tier Four	Tier Five
	Basic Service	0 – 1,000 Gallons	1,001-3,000 Gallons	3,001 – 9,000 Gallons	9,001 – 12,000 Gallons	Over 12,000 Gallons
Weter Size	Charge	Commodity Rate (per 1,000 gallons)	Commodity Rate (per 1,000 gallons)	Commodity Rate (per 1,000 gallons)	Commodity Rate (per 1,000 gallons)	Commodity Rate * (per 1,000 gallons
Commercial					,	
5/8 x 3/4-inch	\$10.02	\$.074	\$1.08	\$1.69	\$1.92	\$2.1809
3/4-inch	\$11.50	\$.074	\$1.08	\$1.69	\$1.92	\$2.1809

Sun City Water District (Name of Service Area)

General Water Rate G-1 (continued)

	Basic Service Charge	Tier On	e	Tier Two	
		ervice Commodity	Upper Limit (gallons)	Commodity Rate * (per 1,000 gallons)	Second Tier Breakover (gallons)
Commercial					
1-inch	\$25.00	\$1.69	22,000	\$2.1809	Over 22,000
1.5-inch	\$50.10	\$1.69	55,000	\$2.1809	Over 55,000
2-inch	\$80.20	\$1.69	90,000	\$2.1809	Over 90,000
3-inch	\$160.40	\$1.69	200,000	\$2.1809	Over 200,000
4-inch	\$250.60	\$1.69	300,000	\$2.1809	Over 300,000
6-inch	\$501.20	\$1.69	650,000	\$2.1809	Over 650,000
8-inch	\$801.90	\$1.69	1,000,000	\$2.1809	Over 1,000,00

Note: * Low Income Program details are noted in the Terms and Conditions section for General Water Rates. Upper tier rate for residential and commercial customers is comprised of \$2.16 approved rate plus \$0.02090 for the Low Income Surcharge for a total of \$2.1809.

* Requires the completion of a Low Income Program Application available either from the Company (for a single family residence) or from the Sun City Taxpayers Association (for a multi-unit dwelling). Restricted to the first 1,000 eligible residential participants in the Sun City Water district. Applicants must swear that he/she has annual income below the threshold. The threshold is below 150% of the federal low income guidelines as periodically revised. Applicant may not be claimed as a dependent on another person's tax return. Applicant must reapply each time moving residences. Refusal or failure to provide acceptable documentation of eligibility, upon request, shall result in removal from the low income program. Rebilling of customers under the otherwise applicable rate schedule may occur for periods of ineligibility previously billed under the low income tariff. Annual income means the value of all money and non-cash benefits available for living expenses, from all sources, both taxable and non-taxable, before deductions, for all people who live with the applicant.

Terms and Conditions

Water service provided under this rate schedule is subject to this District's Rules and Regulations and may be subject to this District's Miscellaneous Service Charges set forth in Rate Schedule MISC-1. Water service under this Schedule is for the exclusive use of the Customer and water shall not be resold or provided to others.

All rates in this Schedule shall be subject to their proportionate part of any taxes or other governmental imposts which are assessed directly or indirectly on the basis of revenues derived from service under this Schedule, or on the basis of the service provided or the volume of water produced, purchased or sold.

A 11/2% late payment penalty will be applied to account balances not paid within twenty-five (25) days after the postmark date of the bill in accordance with Rule 8 (H) of EPCOR Water Arizona Inc.'s Sun City Water District's Rules and Regulations.

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

EPCOR	Water	Arizona I	nç.
	(Name	of Compan	v)

3rd Revised SHEET NO.	2 .
Canceling 2nd Revised SHEET NO.	2 .

Irrigation Water Rate 1 - 1

Availability

Available only to the Sun City Agricultural Club, golf courses and irrigated medians, south of Grand Avenue (2 inch) and to Coyote Lakes Golf Club (Irrigation - Raw). Subject to interruption if such water service would adversely affect the ability of Sun City Water District to provide water service to its other classes of customers or if such water service would detrimentally impact the water quality or supply within the aquifers from which the Sun City Water District extracts water.

Schedule of Charges

		Dania	Tier C	One
Meter Siz	ze	Basic Service Charge	Commodity Rate (per 1,000 gallons)	Upper Limit
2-inch	Meter	85.80	\$1.4600	Infinite
Irrigation-Raw			\$1.2100	Infinite

Terms and Conditions

Water service provided under this rate schedule is subject to this District's Rules and Regulations and may be subject to this District's Miscellaneous Service Charges set forth in Rate Schedule MISC-1.

Water service under this Schedule is for the exclusive use of the Customer and water shall not be resold or provided to others.

All rates in this Schedule shall be subject to their proportionate part of any taxes or other governmental imposts which are assessed directly or indirectly on the basis of revenues derived from service under this Schedule, or on the basis of the service provided or the volume of water produced, purchased or sold.

A 11/2% late payment penalty will be applied to account balances not paid within twenty-five (25) days after the postmark date of the bill in accordance with Rule 8 (H) of EPCOR Water Arizona Inc.'s Sun City Water District's Rules and Regulations...

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE:

<u>September 1, 2015</u> Month Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027

Decision No. 75268

3rd Revised SHEET NO	3	
Canceling 2nd Revised SHEET NO.	3	一.

Private Fire Protection PF-1

Availability

Available for all establishments served by the Company.

Schedule of Charges - Minimum Monthly Charge Per Connection

Meter Size	Basic Service Charge
3-inch	\$10.91
4-inch	\$10.91
6-inch	\$10.91
8-inch	\$15.72
10-inch	\$22.59

Terms and Conditions

All rates in this Schedule shall be subject to their proportionate part of any taxes or other governmental imposts which are assessed directly or indirectly on the basis of revenues derived from service under this Schedule, or on the basis of the service provided or the volume of water produced, purchased or sold.

Water service provided under this rate schedule is subject to this District's Rules and Regulations and may be subject to this District's Miscellaneous Service Charges set forth in Rate Schedule MISC-1.

Private fire protection service will be provided only if the customer purchases his entire water supply from this District. The customer will pay, without refund, the entire cost of installing the service connection from the nearest main of adequate size to service a private fire protection system in addition to all service. If a private fire hydrant is installed, the customer will pay, without refund, the entire cost of installing the fire hydrant.

The maximum diameter of the service connection will not be more than the diameter of the main to which the service is connected. The maximum diameter of a fire hydrant connection will not be more than the diameter of the main to which the fire hydrant is connected.

The customer's installation must be such as to separate effectively the fire sprinkler system from that of the customer's regular water service.

As part of the sprinkler service installation, there shall be a detector check or other similar device acceptable to the Company that will indicate the use of water. Any unauthorized use will be charged for at the regular established rate for general metered service, and may be grounds for the Company's discontinuing the fire protection service without liability to the Company.

ISSUED:

<u>September 15, 2015</u>

Month Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

3rd Revised SHEET NO.	<u>3a</u>	
Canceling 2nd Revised SHEET NO.	3a	

Private Fire Protection FP-1 (continued)

There shall be no cross-connection between the fire sprinkler system supplied by water through the Company's fire sprinkler service to any other source of supply without the specific approval of the Company. This specific approval will require, at the customer's expense, a special double check valve installation or other device acceptable to the Company. Any such unauthorized cross-connection may be grounds for immediately discontinuing the sprinkler system without liability to the Company.

The Company will supply only such water at such pressure as may be available from time to time as the result of its normal operations for the system.

A 11/2% late payment penalty will be applied to account balances not paid within twenty-five (25) days after the postmark date of the bill in accordance with Rule 8 (H) of EPCOR Water Arizona Inc.'s Sun City Water District's Rules and Regulations..

ISSUED:

<u>September 15, 2015</u>

Month Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

3rd Revised SHEET NO	4	
Canceling 2nd Revised SHEET NO.	4	٠.

Public Interruptible Water Service Rate and Private Hydrant Stand-by Water Service Rate-Peoria PIR/SB-1

Availability

Available only to the City of Peoria as a supplemental supply as may be required by the municipality to augment its primary sources of supply.

Schedule of Charges

Meter Size			Tier O	ne
		Basic Service Charge	Commodity Rate (per 1,000 gallons)	Upper Limit
3-inch	Meter	\$ 10.09	\$ 1.26	Infinite
8-inch	Meter	\$ 10.09	\$ 1.26	Infinite

Terms and Conditions

The City of Peoria must demonstrate water obtained from Sun City Water Company pursuant to this tariff provision does not constitute a significant portion of the municipality's water supply.

The municipality must also acknowledge that it understands this source of supply may be interrupted by Sun City Water District if, in Sun City Water District's sole discretion, water service to the municipality would adversely affect in any way the ability of Sun City Water District to provide water service to its other classes of customers, or if, in its sole discretion, water service to the municipality would detrimentally impact the water quality within the aquifers from which Sun City Water District extracts water.

The municipality must also agree to accept water at such pressures as may be available at the point of interconnection.

This rate is subject to its proportionate part of any taxes and governmental imposts that are assessed on the basis of gross revenue of the company.

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year

Month Day Year

Public Interruptible Water Service Rate and Stand-by Water Service Rate PIR/SB-1 (continued)

Schedule of Charges - Monthly Charge

			Tier One	
Meter Size		Basic Service Charge	Commodity Rate (per 1,000 gallons)	Upper Limit
Standby Rates	Hydrant	\$ 9.22	\$ 1.31	Infinite

Terms and Conditions

Sun City Water District agrees to provide water service to the City of Peoria for fire protection within the City of Peoria corporate limits in an area within Sun City Water District's service area.

City of Peoria shall have the right to install fire hydrants connected to the Company's water mains. The location of such fire hydrants is subject to Company approval. The City shall pay for all installation costs and shall maintain said hydrants.

This rate is subject to its proportionate part of any taxes and governmental imposts, which are assessed on the basis of gross revenue of the Company.

ISSUED:

<u>September 15, 2015</u>

Month Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

3rd Revised SHEET NO.	<u>5</u> .
Canceling 2nd Revised SHEET NO.	5 .

Miscellaneous MISC-I

This District is authorized to charge the following miscellaneous service fees:

Establishment or Re-establishment of Service	\$35.00
Reconnection of Service (Delinquent)	\$35.00
Meter Test (If Correct)	\$35.00
Meter Reread (If Correct)	\$25.00
Deposit Requirement (Residential) Deposit Requirement (non-res. Meter)	(a) (a)
Deposit Interest	(a)
NSF Check	\$25.00
Deferred Payment, Per Month	1.5%
Late Charge, Per Month	1.5%
After Hours Service Charge (b)	\$35.00

(a) Per Commission Rules (R14-2-403.B)

(b) After Hours Service: After regular working hours, on Saturdays, Sundays or holidays if at the customer's request.

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege sales, use, and franchise tax. Per Commission Rule 14-2-409(D)(5).

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015 Month Day Year

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Miscellaneous MISC-I (Cont.)

Service and Meter Installation Charges

As provided for in Rule No. 4 (B) of EPCOR Water Arizona Inc.'s Sun City Water District's Rules and Regulations, this District will charge the customer, as a refundable advance in aid of construction, an amount for each meter and service line as specified below:

1. Service and Meter Installations:

Meter Size	Line	Meter	Total
5/8"	\$ 370.00	\$ 130.00	\$ 500.00
3/4"	370.00	205.00	575.00
1"	420.00	240.00	660.00
11⁄2"	450.00	450.00	900.00
2' Turbine Meter	580.00	945.00	1,525.00
2"Compound Meter	580.00	1,640.00	2,220.00
3" Turbine Meter	745.00	1,420.00	2,165.00
3" Compound Meter	765.00	2,195.00	2,960.00
4" Turbine Meter	1,090.00	2,270.00	3,360.00
4"Compound Meter	1,120.00	3,145.00	4,265.00
6" Turbine Meter	1,610.00	4,425.00	6,035.00
6" Compound Meter	1,630.00	6,120.00	7,750.00
8" & Larger	Cost	Cost	Cost

Deposit and Taxes

Deposit - Per Commission Rules A.A.C. R14-2-403B

Deposit Interest - Per Commission Rules A.A.C. R14-2-403B

Collection of any Privilege, sales, use and franchise taxes - Per Commission Rule A.A.C. R.14-2-409D

Special Conditions

Company shall collect income taxes on the meter and service line charges. Any tax collected will be refunded each year that the meter deposit is refunded.

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015

Month Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

3rd Revised SHEET NO. Canceling 2nd Revised SHEET NO.

Sun City Water District

(Name of Service Area)

Cental Arizona Project-Raw (Untreated) Water Service CAP-1

Availability

Available to golf courses and other irrigation or turf facilities within the CC&N boundaries of this District.

Rates

All Consumption

Per 1,000 gallons

Rate \$1.03

Special Conditions

Availability is subject to the Customer entering into a Line Extension Agreement with the Company to construct the necessary facilities for delivery of C.A.P. water.

Rate shall be adjusted each year an amount equal to the percentage increase in charges assessed to the Company by the Central Arizona Water Conservation District for delivery of C.A.P. water. Such charges shall include "water service capital charges", "fixed O.M. & R. charges", "energy charges" and any incidental fees assessed for the ability to take raw water from the point of delivery. All such charges shall be as assessed on a per acre-foot basis.

The Company is not responsible for the quality of water provided under this tariff. This is raw untreated water and the Company is not responsible for complying with any health or environmental conditions for its use.

Terms and Conditions

Water service provided under this rate schedule is subject to this District's Rules and Regulations applicable to Water Service and may be subject to this District's Miscellaneous Service Charges set forth in Rate Schedule MISC-1.

Water service under this Schedule is for the exclusive use of the Customer and water shall not be resold or provided to others.

All rates in this Schedule shall be subject to their proportionate part of any taxes or other governmental imposts which are assessed directly or indirectly on the basis of revenues derived from service under this Schedule, or on the basis of the service provided or the volume of water produced, purchased or sold.

A 11/2% late payment penalty will be applied to account balances not paid within twenty-five (25) days after the postmark date of the bill in accordance with Rule 8 (H).

ISSUED:

<u>September 15, 2015</u>

Month Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Groundwater Withdrawal Fee GW-1

Special Conditions

This charge will be assessed as a separate line item on the customer's monthly bill.

Groundwater withdrawal fees shall be collected as an assessment and is subject to annual revisions as required due to changes in rates charged by the Arizona Department of Water Resources (ADWR); adjustments required due to small under or over collection of fees; and changes in the amount of groundwater the company uses to meet its customers' water demands.

This assessment fee is based on published ADWR Groundwater Withdrawal Fees and includes an allowance of ten percent (10%) for lost and unaccounted for water.

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year

9th Revised SHEET NO.	_8_	
Canceling 8th Revised SHEET NO.	8 .	

Groundwater Savings Fee GSF - 1

Applicability

Applicable to all customers of this District receiving service under General Water Rate G-1, Irrigation Water Rate I-1 or Public Interruptible Water Service Rate PIR-1.

Residential Users

Flat Rate per unit per month

Rate \$1.32

* Rate consists of \$0.04 credit per unit to refund the over collection of prior years' surcharge and \$1.36 per unit for the collection of current annual CAP charges.

Other Users

All Usage per 1,000 gallons per month

Rate \$0 1925 **

Terms and Conditions

Annual Adjustment of Annual Costs Portion of Groundwater Savings Fee

At the close of each calendar year, the Company will compute the surcharge revenues for ongoing CAP water costs billed and received during the previous twelve months and compare such total with the actual CAP water payments applicable to the same period. Any surplus or deficit relating to differences between estimated and actual customers, sales, or CAP payments will be included in the computation of the new Annual Costs portion of the Groundwater Savings Fee for the coming year, beginning with customer billings each March 1st. The new rates will be developed as follows:

Surcharge revenues during the preceding calendar year.

- Actual CAP payments (including MWD credits) applicable to preceding year
- = (+) surplus or (-) deficit
- + Estimated CAP payments for coming year (M&I + delivery – MWD credits)
- Total target amount to recover during the coming March February

The above computed target amount will be allocated between residential and commercial customers on the basis of usage projected for the future March - February period. Residential customers will be billed a fixed monthly surcharge based on projected customer bill numbers, with commercial customers billed on a per 1,000 gallon usage basis, based on consumption forecasted for the same March – February billing period.

All rates in this Schedule shall be subject to their proportionate part of any taxes or other governmental imposts that are assessed directly or indirectly on the basis of revenues derived from this Schedule.

ISSUED:

September 15, 2015

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EFFECTIVE:

<u>September 1, 2015</u> Month Day Year

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^{**} Rate consists of \$0.0051 credit per 1,000 gallons of usage to refund the over collection of prior years' surcharge and \$0.1976 per 1,000 gallons of usage for the collection of current annual CAP charges.

EPCOR Water Arizona Inc. (Name of Company) (623) 445-2416 (Water Conservation Phone)

Sun City Water District (Name of Service Area)

Local and/or Regional Messaging Program Tariff - BMP 1.1

PURPOSE

A program for the Company to actively participate in a water conservation campaign with local or regional advertizing (Modified Non-Per Capita Conservation Program BMP Category 1: Public Awareness/Public Relations 1.1: Local and/or Regional Messaging Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company or designated representative shall actively participate in water conservation campaign with local and/or regional advertising.
- 2. The campaign shall promote ways for customers to save water.
- 3. The Company shall facilitate the campaign through one or more of the following avenues (not an all inclusive list):
 - Television commercials a.
 - b. Radio commercials
 - Websites C.
 - d. Promotional materials
 - Vehicle signs e.
 - **Bookmarks** f.
 - Magnets
- 4. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - a. A description of the messaging program implemented and program dates.
 - b. The number of customers reached (or an estimate).
 - c. Costs of Program implementation.

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

EPCOR Water Arizona Inc. (Name of Company) (623) 445-2416 (Water Conservation Phone)

Sun City Water District (Name of Service Area)

New Homeowner Landscape Information Tariff – BMP 2.3

PURPOSE

A program for the Company to promote the conservation of water by providing a landscape information package for the purpose of educating its new customers about low water use landscaping (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.3: New Homeowner Landscape Information).

REQUIREMENTS:

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. Upon establishment of water service the Company shall offer and make available upon request a free "Homeowner Landscape Packet" to each new customer in the Company's service area. The packet will include at a minimum; a cover letter describing the water conservation expectations for all customers in the Company's service area, applicable rate tariffs, a basic interior/exterior water saving pamphlet, xeriscape landscape information, a list of low water use trees, plants, shrubs, etc., watering guidelines, and a rain water harvesting pamphlet.
- 2. Upon customer request, the Company shall provide:
 - a. On-site consultations on low water use landscaping and efficient watering practices.
 - b. A summary of water saving options.
- 3. The Company shall keep a record of the number of packets provided to new customers and make it available to the Commission upon request.

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015

Month Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

EPCOR Water Arizona Inc. (Name of Company) (623) 445-2416

(Water Conservation Phone)

Sun City Water District (Name of Service Area)

Xeriscape Demonstration Garden Tariff - BMP 2.4

PURPOSE

A program for the Company to install and maintain a water efficient demonstration garden for the purpose of educating its customer base on low water-use landscaping (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.4: Xeriscape Demonstration Garden).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall design, construct and maintain a demonstration garden that shall include a large variety of low water use and native plants, shrubs and shade trees.
- 2. The demonstration garden shall include a walkway throughout the site and include interpretive signage and literature about low water use plants and water efficient landscape techniques.
- 3. The demonstration garden shall be open, free of charge, to the public during normal business hours and every Saturday of each month.
- 4. Maps providing driving directions to the demonstration garden shall be available at the Company office, on the Company web-site, and the Company shall notify each customer through bill inserts or text messages of the demonstration garden.
- 5. The Company shall work with the schools, including the universities, to continually upgrade the site with additional technologies and techniques.

ISSUED:

September 15, 2015

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EFFECTIVE:

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EPCOR Water Arizona Inc. (Name of Company) (623) 445-2416 (Water Conservation Phone)

Sun City Water District (Name of Service Area)

Residential Audit Program Tariff - BMP 3.1

PURPOSE

A program for the Company to promote water conservation by providing customers with information on performing water audits to determine conservation opportunities at their residence (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.1: Residential Audit Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall offer self-audit information.
- 2. The Company or designated representative shall provide all customers that request them with a self-audit kit.
- 3. The kit shall include detailed instructions and tools for completing the water audit including information on how to check their water meter. The audit kit shall include but not be limited to information on checking the following components: irrigation system, pool, water features, toilets, faucets and shower.
- 4. If requested, the Company shall assist the customer in a self-water audit and assist the customer in determining what might be causing high water usage as well as supply customer with information regarding water conservation and landscape watering guidelines. As part of the water audit, and if requested to do so by the customer, the Company shall confirm the accuracy of the customer meter (applicable meter testing fees shall apply).
- 5. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - a. A description of the water conservation material provided in the kit.
 - The number of kits provided to customers.
 - c. Implementation costs of the Residential Audit Program.

ISSUED:

<u>September 15, 2015</u>

Month Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

EPCOR Water Arizona Inc. (Name of Company) (623) 445-2416

(Water Conservation Phone)

Sun City Water District (Name of Service Area)

Residential Interior Retrofit Program Tariff – BMP 3.4

PURPOSE

A program for the Company to promote water conservation by providing residential customers free or low cost plumbing fixtures for their residence (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.4: Residential Interior Retrofit Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company or designated representative shall provide to residential customers that request then that live in homes built prior to the adoption of the 1990 Uniform Plumbing Code free or low cost water use fixtures such as faucets, faucet aerators, low flow shower heads, toilets and toilet dams. The Company must offer the fixtures/fixture retrofits to all residential customers meeting the above critria unless the Company can demonstrate that targeting certain portions of its water service area is likely to yield the highest participation and/or potential water savings.
- The fixtures or retrofit kit shall include detailed instructions for installing the retrofit fixtures.
- 3. The Company shall select appropriate communications channels to advertize the program.
- 4. The Company shall keep a record of the following information and make it available to the Commission upon
 - A description of the Residential Interior Retrofit Program including a description of the fixtures provided to customers and estimated water savings as a result of Program implementation.
 - b. The number of retrofit fixtures requested by customers and the number of fixtures provided.
 - c. Costs of the Residential Interior Retrofit Program.

ISSUED:

September 15, 2015 Month Day Year

EFFECTIVE:

<u>September 1, 2015</u> Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

EPCOR Water Arizona Inc. (Name of Company) (623) 445-2416 (Water Conservation Phone)

Sun City Water District (Name of Service Area)

Customer High Water Use Inquiry Resolution Tariff - BMP 3.6

PURPOSE

A program for the Company to assist its customers with their high water-use inquiries and complaints (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.6: Customer High Water Use Inquiry Resolution).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall handle high water use inquiries as calls are received.
- 2. Calls shall be taken by a customer service representative who has been trained on typical causes of high water consumption as well as leak detection procedures that customers can perform themselves.
- 3. Upon request by the customer or when the Company determines it is warranted, a trained Field Technician shall be sent to the customer's residence to verify consumption and conduct a leak detection inspection and further assist the customer with water conservation measures.
- 4. The Company shall follow up on every customer inquiry or complaint and keep a record of inquiries and followup activities. The Company shall make this information available to the Commission upon request.

ISSUED:

September 15, 2015 Month Day Year

EFFECTIVE:

September 1, 2015

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

EPCOR Water Arizona Inc. (Name of Company) (623) 445-2416

(Water Conservation Phone)

Sun City Water District

(Name of Service Area)

Customer High Water Use Notification Tariff – BMP 3.7

PURPOSE

A program for the Company to monitor and notify customers when water use seems to be abnormally high and provide information that could benefit those customers and promote water conservation (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services Program 3.7: Customer High Water Use Notification).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall track water usage for each customer and notify the customer if water use seems excessive for that particular billing for that time of the year.
- 2. The Company shall identify customers with high consumption, verify the high consumption, and investigate each instance to determine the possible cause.
- 3. The Company shall contact the high water use customers via telephone, email, by mail or in person. The Company shall contact the customer as soon as practical in order to minimize the possible loss of water. The customer will not be required to do anything to receive this notification.
- 4. In the notification the Company shall explain some of the most common water usage problems and common solutions and points of contact for dealing with the issues.
- 5. In the notification, the customer will be reminded of possible high water-consumption occurrences, such as:
 - a. Leaks, running toilets, or valves or flappers that need to be replaced.
 - b. Irrigation system valves or sprinkler heads which may be leaking.
 - c. Sprinklers that may be watering the house, sidewalk, or street, etc. increasing irrigation requirements.
 - d. Leaking pool or spas and possible leaks around pumps.
 - e. More people in the home than usual taking baths and showers.
 - f. Doing more loads of laundry than usual.
 - q. Doing a landscape project or starting a new lawn.
 - h. Washing vehicles more often than usual.
- 6. The Company shall offer water conservation information that could benefit the customer, such as, but not limited to, audit programs, publications, and rebate programs.
- 7. The Company shall assist the customer in determining what might be causing the high water usage as well as offer the customer information regarding water conservation and landscape watering guidelines. The Company shall confirm the accuracy of the customer meter if requested to do so by the customer (applicable meter testing fees shall apply).
- 8. The type of notification, the timing of the notification (i.e., how long after high water use was discovered by the Company), and the criteria used for determining which customers are notified shall be recorded. The Company shall make this information available to the Commission upon request.

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

EPCOR Water Arizona Inc. (Name of Company) (623) 445-2416 (Water Conservation Phone)

Sun City Water District (Name of Service Area)

Leak Detection Program Tariff – BMP 4.1

PURPOSE

A program for the Company to systematically evaluate its water distribution system to identify and repair leaks (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.1 Leak Detection Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

On a systematic basis, the Company shall perform leak detection inspections of its distribution system to identify and fix leaks.

This program shall be implemented through a strategy of targeting certain portions of the water service area which will yield the highest potential for water savings first.

- 1. The Company shall implement a comprehensive leak detection and repair program to attain and maintain a goal of less than 10 percent unaccounted for water loss in its system(s). The program must include auditing procedures, in-field leak detection and repair efforts. The Company shall take whatever practical steps are necessary to ensure that its water system is operating at optimal efficiency.
- 2. On a systematic basis, at least every two years (annually for smaller systems), the Company shall visually inspect its above ground water distribution system (to include hydrants, valves, tanks, pumps, etc. in the distribution system) to identify and repair leaks. Detection shall be followed by repair or in some cases replacement. Repair vs. replacement will depend upon site-specific leakage rates and costs.
- 3. Leak Detection efforts should focus on the portion of the distribution system with the greatest expected problems, including:
 - a. areas with a history of excessive leak and break rates;
 - b. areas where leaks and breaks can result in the heaviest property damage;
 - c. areas where system pressure is high;
 - d. areas exposed to stray current and traffic vibration;
 - e. areas near stream crossings; and,
 - areas where loads on pipe may exceed design loads.
- 4. The Company shall keep accurate and detailed records concerning its leak detection and repair/rehabilitation program and the associated costs. Records of repairs shall include: possible causes of leak; estimated amount of water lost; and date of repair. These records shall be made available to the Commission upon request.

(Continues on 9h)

ISSUED:

September 15, 2015

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EPCOR Water Arizona Inc. (Name of Company) (623) 445-2416

(Water Conservation Phone)

Sun City Water District (Name of Service Area)

Leak Detection Program Tariff – BMP 4.1 (Continued)

- 5. The Company shall maintain a complete set of updated distribution system maps.
- 6. The Company shall conduct a water audit annually which includes the following steps to determine how efficient each water system is operating and where the losses might be.
 - a. Use coordinated monthly source and service meter readings to calculate how much water enters and leaves the system during the 12 month review period.
 - b. Track and estimate any unmetered authorized uses.
 - c. Calculate the total amount of leakage using the following formula:

Unaccounted for water (%) = [(Production and/or purchased water minus metered use & estimated authorized un-metered use) / (Production and/or purchased water)] x 100%

- d. Authorized un-metered uses may include firefighting, main flushing, process water for water treatment plants, etc. Water losses include all water that is not identified as authorized metered water use or authorized un-metered use.
- e. Determine possible reasons for leakage, including physical leaks and unauthorized uses.
- f. Analyze results to determine the improvements needed, such as, better accounting practices, leak survey or replacing old distribution pipes.
- 7. The Company shall keep accurate and detailed records concerning its annual water audit results. These records shall be made available to the Commission upon request.

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

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EPCOR Water Arizona Inc. (Name of Company) (623) 445-2416 (Water Conservation Phone)

Sun City Water District (Name of Service Area)

Meter Repair and/or Replacement Tariff – BMP 4.2

PURPOSE

A program for the Company to systematically assess all in-service water meters (including Company production meters) in its water service area to identify under-registering meters and to repair or replace them (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.2 Meter Repair and/or Replacement Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. On a systematic basis, the Company will replace all 2-inch and smaller in-service water meters at least once every fifteen years.
- 2. The Company will test all meters that have caused a meter reading complaint to be filed with the Arizona Corporation Commission.
- 3. Meters larger than 2-inch shall be tested for one of the following reasons:
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has been in service for five years.
- 4. The test will be accomplished by one of the following:
 - a. Having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be underregistering or other broken parts which need repair.
 - b. Utilizing equipment to verify that all electronic components are within manufacturer specifications and are operating properly.
- 5. In addition, meters shall be randomly selected for flow testing utilizing a flow through detector testing meter.
- 6. All replacement water meters shall register in gallons:
 - a. All new 1-inch and smaller meters that are installed will register usage in 1 gallon increments,
 - b. All new 1-1/2-inch through 4-inch meters that are installed will register in 10 gallon increments, and
 - c. All new 6-inch and larger meters that are installed will register in 100 gallon increments.
- 7. The Company shall keep records on the number of meters that were replaced and make this information available to the Commission upon request.

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015 Month Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

EPCOR Water Arizona Inc. (Name of Company) (623) 445-2416 (Water Conservation Phone)

Sun City Water District (Name of Service Area)

WATER SYSTEM TAMPERING TARIFF – BMP 5.2

PURPOSE

The purpose of this tariff is to promote the conservation of groundwater by enabling the Company to bring an action for damages or to enjoin any activity against a person who tampers with the water system.

REQUIREMENTS:

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission, specifically Arizona Administrative Code ("AAC") R14-2-410 and the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. In support of the Company's water conservation goals, the Company may bring an action for damages or to enjoin any activity against a person who: (1) makes a connection or reconnection with property owned or used by the Company to provide utility service without the Company's authorization or consent; (2) prevents a Company meter or other device used to determine the charge for utility services from accurately performing its measuring function; (3) tampers with property owned or used by the Company; or (4) uses or receives the Company's services without the authorization or consent of the Company and knows or has reason to know of the unlawful diversion, tampering or connection. If the Company's action is successful, the Company may recover as damages three times the amount of actual damages.
- Compliance with the provisions of this tariff will be a condition of service.
- 3. The Company shall make available to all its customers a complete copy of this tariff and AAC R14-2-410. The customers shall follow and abide by this tariff.
- 4. If a customer is connected to the Company water system and the Company discovers that the customer has taken any of the actions listed in No. 1 above, the Company may terminate service per AAC R14-2-410.
- 5. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015 Month Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027

Decision No. 75268

WATER SERVICES TERMINATION AGREEMENT WITH THE CITY OF PEORIA

EPCOR Water Arizona Inc. ("Company") has been granted a variance from Arizona Corporation Commission Rule A.A.C. R14-2-410.A.2 for the limited purpose of entering into a Water Services Termination Agreement ("Agreement") with the City of Peoria, a municipal provider of wastewater service, for common customers purchasing water from the Company and wastewater from the City. The purpose of this Tariff, and the authorized variance from A.A.C. R14-2-410.A.2, is to assist the City in collecting delinquent payments for wastewater utility service provided to common customers of the Company.

As per the Agreement, the Company is authorized to charge the City of Peoria the following fees:

Fee Schedule:

Disconnect Fee \$80.00

(Turn-off and Turn-on service included)

Disconnect Cancellation Fee \$80.00

(When City cancels a termination request after noon (12pm) on the date service is scheduled to be shut off)

Monthly Lost Revenue Fee \$23.76

(Based on Sun City District rates effective January 1, 2011 using average revenue from 5/8" to 1" metered residential customers including an applied combined state and federal tax rate of 39%)

Terms and Conditions

The Company shall comply with the terms and conditions of the Agreement. The Agreement with the City is attached to and incorporated into this tariff.

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE:

<u>September 1, 2015</u> Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

TARIFF

CUSTOMER WATER CONSUMPTION INFORMATION SHARING WITH CITY OF PEORIA, WASTEWATER PROVIDER

EPCOR Water Arizona Inc. ("EWAZ" or "Company") is authorized to share water consumption information of individual customers with City of Peoria ("the City"), a municipal provider of wastewater service for common customers purchasing water from EWAZ and wastewater from the City. The purpose of this Tariff, and the authorized provision of customer water consumption information, is to assist the City in billing for wastewater utility services. City agrees that it is only authorized to use such water consumption information for purposes of wastewater services billing and is not authorized to disclose such information to any other party except as may be required by law.

EWAZ entered into an Agreement with the City for providing individual water consumption data, in a form materially similar to the standard form agreement. The Agreement was subject to Arizona Corporation Commission ("Commission") review as set forth in Section 4 of the agreement.

EWAZ shall notify all water utility customers affected by an agreement between the Company and the City pursuant to this Tariff, by means of a billing insert during the first billing cycle immediately after said tariff is approved.

ISSUED:

<u>September 15, 2015</u>

Month Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Sun City Water Rules and Regulations

RULES AND REGULATIONS APPLICABLE TO WATER SERVICE OF SUN CITY WATER DISTRICT

Legally named and operating in:

Sun City, Maricopa County, Arizona

These rules and regulations have been authorized by the Arizona Corporation Commission and are the effective rules and regulations of this District.

Services will be furnished in accordance with these rules and regulations and no officer, employee, or representative of this Company has any authority to write, alter, or amend these rules and regulations or any parts thereof in any respect.

ISSUED:

September 15, 2015

Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

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EFFECTIVE:

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ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

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ISSUED:

<u>September 15, 2015</u>

EFFECTIVE:

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ISSUED BY:

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PRELIMINARY STATEMENT

Sun City Water District (hereinafter the "District") of EPCOR Water Arizona Inc. (hereinafter the "Company") is engaged in the business of supplying water service in the County or counties previously mentioned.

These Rules and Regulations are designed to govern the supply of water in such manner as will secure to each customer the greatest practicable latitude in the enjoyment of service, consistent with good service to himself and other customers, and with safety to the public and the Company's employees.

These Rules and Regulations are on file with the Arizona Corporation Commission of the State of Arizona, and copies are available at all Company offices. They are a part of every contract for service and govern all classes of service, except where specific provisions in contracts or schedules modify it. All prior rules, customs, or alleged understandings are hereby rescinded. These rules and regulations are available for review by any customer, at any office of the Company.

Rates for metered service and other services rendered are those on file with the Arizona Corporation Commission and are available at the offices of the Company.

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE:

September 1, 2015
Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 1 DEFINITIONS

For the purpose of these rules and regulations, unless the context otherwise requires, the following definitions shall apply:

- 1. Advance in Aid of Construction: Funds provided to the Company by an applicant under the terms of a main extension agreement of service connection tariff, the amount of which may be reasonable.
- 2. Applicant: A person requesting the Company to supply water service.
- 3. Application: A written request of the Company for water service, as distinguished from an inquiry as to the availability or charges for such service.
- 4. Arizona Corporation Commission: The regulatory authority of the State of Arizona having jurisdiction over the public service corporations operating in Arizona.
- 5. Billing Month: The period between any two regular readings or estimated readings of the Company's meters at approximately thirty (30) day intervals.
- 6. Billing Period: The time interval between two consecutive meter readings or estimates that are taken for billing purposes.
- 7. Commission: The Arizona Corporation Commission.
- 8. Commodity Charge: The unit of cost per billed usage, as set forth in the Company's tariffs.
- 9. Company: EPCOR Water Arizona Inc.
- 10. Contributions in Aid of Construction: Funds provided to the Company by an applicant under the terms of a main extension agreement and/or service connection tariff, the amount of which is not refundable.
- 11. Customer: The person or entity in whose name service is rendered, as evidenced by the signature on the application or contract for that service, or by the receipt and/or payment of bills regularly issued, regardless of the identity of the actual user of the service.
- 12. Customer Charge: The amount the customers must pay the Company for the availability of water service, excluding any water used, as specified in this District's tariffs.
- 13. Customer Piping: The pipe that transports water to the customer from the Point of Delivery to the point of usage by the customer.
- 14. Day: Calendar day.
- 15. Distribution Main: A water main of the Company from which service connections may be extended to customers.
- 16. District: Sun City Water District.
- 17. Interruptible Water Service: Water service that is subject to interruption or curtailment.

ISSUED:

September 15, 2015

EFFECTIVE:

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RULE NO. 1 (continued) DEFINITIONS

- 18. Main Extension: The mains and ancillary facilities relevant to providing service to additional customers via the extension of the distribution system.
- 19. Master Meter: A meter owned by Company for measuring or recording the volume or flow of water at a single location where said water is transported through a piping system to several tenants or occupants for their individual consumption.
- 20. Meter: A Company-owned instrument that measures and indicates or records the volume of water that passes through it.
- 21. Meter Tampering: A situation where a meter has been illegally altered. Common examples are meter bypassing, use of devices to slow the meter recorder, and broken meter seals.
- 22. Minimum Charge: The amount the customer must pay for the availability of water service, including an amount of usage, as specified in this District's tariffs.
- 23. Minimum Delivery Pressure: 20 pounds per square inch gauge at the meter or Point of Delivery.
- 24. Permanent Customer: A customer who is a tenant or owner of a service location who applies for and receives permanent water service.
- 25. Permanent Service: service which, in the opinion of the Company, is of a permanent and established character. The use of water may be continuous, intermittent, or seasonal in nature.
- 26. Person: Any individual, partnership, corporation, governmental agency, or other organization operating as a single entity.
- 27. Point of Delivery: The point where facilities owned, leased or under license by a customer connect to Company's pipes or to the outlet side of Company's meter.
- 28. Premises: All of the real property and apparatus employed in a single enterprise or living unit on an integral parcel or land undivided by public streets, alleys, or railways.
- 29. Residential Subdivision Development: Any tract of land that has been divided into six or more contiguous lots for use in the construction of residential buildings or permanent mobile homes for either single or multiple occupancy; as "subdivision" is defined by Arizona Revised Statutes §32-2101.
- 30. Residential Use: Service to customers using water for domestic purposes such as personal consumption, water heating, cooking, clothes washing, and other residential uses, including use in apartment buildings, mobile home parks, and other multi-unit residential buildings.
- 31. Rules: The regulations set forth in the tariffs that apply to the provision of water service.
- 32. Service Area: The territory in which the Company has been granted a certificate of convenience and necessity and is authorized by the Commission to provide water service in this District.
- Service Establishment Charge: The charges specified in this District's tariffs that cover the cost of establishing a new account.

ISSUED:

September 15, 2015

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RULE NO. 1 (continued) DEFINITIONS

- 34. Service Line: A water line that transports water from a common source (normally a distribution main) of supply to the customer's Point of Delivery.
- 35. Service Reconnect Charge: The charge as specified in this District's tariffs that must be paid by the customer prior to reestablishment of water service each time the water is disconnected for nonpayment or whenever service is discontinued for failure otherwise to comply with this District's filed rules.
- 36. Service Reestablishment Charge: A charge as specified in this District's tariffs, for service at the same location where the customer or a member of the customer's immediate family, had ordered a service disconnection within the preceding twelve month period.
- 37. Single Family Dwelling: A house, an apartment, or a mobile home permanently affixed to a lot, or any other permanent residential unit that is used as a home.
- 38. Tariffs: The documents filed with the Commission that list the services and products offered by this District and that set forth the terms, conditions, and a schedule of the rates and charges for those services and products.
- 39. Temporary service: service to premises or enterprises that is temporary in character, or where it is known in advance that the service will be of limited duration. Service that, in the opinion of the Company, is for operations of a speculative character is also considered temporary service.
- 40. Utility: The public service corporation providing water service to the public in compliance with state law.

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<u>September 15, 2015</u> Day

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EFFECTIVE:

September 1, 2015 Month

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RULE NO. 2 ESTABLISHMENT OF SERVICE

INFORMATION FROM NEW APPLICANTS A.

- The Company may obtain the following minimum information prior to acceptance of the applicant as a customer. 1.
 - Name or names of applicant(s).
 - b. Service address or location and telephone number.
 - Billing address or location and telephone number, if different than service address.
 - Address where service was provided previously.
 - e. Date applicant will be ready for service.
 - Indication of whether premises have been supplied with Company service previously.
 - Purpose for which service is to be used.
 - h. Indication of whether applicant is owner or tenant of or agent for the premises, and written proof of agency.
- The Company may require a new applicant for service to appear at the Company's designated place of business to produce proof of identity and sign the Company's application form.
- Where service is requested by two or more individuals the Company shall have the right to collect the full amount owed to the Company from any one of the applicants.

B. **DEPOSITS**

- 1. The Company may require a deposit from any new applicant for service.
- 2. The Company shall issue a nonnegotiable receipt to the applicant for the deposit. The inability of the customer to produce such a receipt shall in no way impair his right to receive a refund of the deposit which is reflected on the Company's records.
- Interest on deposits shall be calculated annually at an interest rate filed by the Company and approved by the Commission in a tariff proceeding. In the absence of such, the interest rate shall be six percent (6%).
- Interest shall be computed and accrued to the customers account on an annual basis.
- Residential deposits plus accrued interest shall be refunded within thirty (30) days after discontinuance of service when the customer has paid all outstanding amounts due the Company.
- 6. A separate deposit may be required for each meter installed.
- 7. The amount of a deposit required by the Company shall be determined according to the following terms.

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RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

- a. Residential customer deposits shall not exceed two times the average residential class bill as evidenced by this District's most recent annual report filed with the Commission.
- b. Nonresidential customer deposits shall not exceed two and one-half times that customer's estimated maximum monthly bill.
- c. The Company may review the customer's usage after service has been connected and adjust the deposit amount on the basis of the customer's actual usage.
- 8. Residential Customer Deposits will automatically be refunded by the Company after twelve (12) consecutive months during which time the customer has not been delinquent more than (3) times in a twelve (12) month period, or at the discretion of the Company at any time before service is discontinued. Upon final discontinuance of the use of the service and full settlement of all bills by the customer, any deposit, not previously refunded, with accrued interest, if any, in accordance with the provisions of this policy will be returned to the customer or at the Company's election, it may be applied to the payment of any unpaid accounts of the customer and the balance, if any, returned to the customer.
- 9. The Company may require a customer to establish or reestablish a deposit if the customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or has been disconnected for nonpayment during the last twelve (12) months.
- 10. Deposits shall not prevent the Company from terminating the agreement for service with a customer or suspending service for any failure in the performance of customer obligations under the agreement for service or any violation of this District's Rules and Regulations.
- 11. Upon discontinuance of service, the Company may apply the deposit toward settlement of the customer's bill.

C. GROUNDS FOR REFUSAL OF SERVICE

- 1. The Company may refuse to establish service if any of the following conditions exist:
 - a. The applicant has an outstanding amount due for the same class of utility service with the Company and the applicant is unwilling to make arrangements with the Company for payment.
 - b. A condition exists, or could occur, which in the Company's judgment is unsafe or hazardous to the applicant, the general population, or the Company's personnel or facilities.
 - c. Refusal by the applicant to provide the Company with a deposit.
 - d. Customer is known to be in violation of the Company's tariffs filed with the Commission or of the Commission's Rules and Regulations.
 - e. Failure of the customer to furnish such funds, service, equipment, and/or rights-of-way necessary to serve the customer and which have been specified by the Company as a condition for providing service.
 - f. Applicant falsifies his or her identity for the purpose of obtaining service.

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RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

- D. SERVICE ESTABLISHMENTS, REESTABLISHMENTS, OR RECONNECTION CHARGE:
 - 1. The Company may make a charge as periodically filed with the Commission for establishment, reestablishment, reconnection or disconnection of utility services.
 - Should service be established or disconnected during a period other than regular working hours at the
 customer's request or cause, the customer may be required to pay an after hours charge. Where the Company's
 scheduling will not permit the requested service on the same day requested, the customer can elect to pay the
 after hours charge for the service that day.
 - 3. For purposes of this tariff, service establishments are where the customer's facilities are ready and acceptable to the Company and the Company needs only to install a meter, read a meter, or turn the service on.

E. TEMPORARY SERVICE

- 1. Applicants for temporary service may be required to pay the Company, in advance of service establishment, the estimated cost of installing and removing the facilities necessary for furnishing the desired service.
- 2. Where the duration of service is to be less than one month, the applicant may also be required to advance a sum of money equal to the estimated bill for service.
- 3. Where the duration of service is to exceed one month, the applicant may also be required to meet the deposit requirements of this District.
- 4. If at any time during the term of the agreement for service the character of a temporary customer's operations changes so that in the opinion of the Company the customer is classified as permanent, the terms of this District's main extension rules shall apply'

F. DOUBTFUL PERMANENCY

When in the Company's opinion, the permanent nature of the customer's requirement for water service is doubtful, the customer shall be required to enter into an agreement with the Company and shall advance the entire cost of construction, including the mains and associated equipment. The agreement shall include provisions for refund upon proof of permanency to the satisfaction of the Company.

G. SERVICE LOCATION, INFORMATION

The Company reserves the right to determine the conditions under which extension will be made. Conditions for service and extending service to the customer will be based upon the following:

- a. All such installations-shall be in accordance with the Company's specifications and located at an outdoor location accessible to the Company.
- b. Individual customers may be required to have their property corner pins and/or markers installed.

ISSUED:

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RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

c. Where the installation requires more than one meter for service to the premises, each meter pit or box shall be permanently marked (not painted) by the contractor or customer to properly identify the portion of the premises having service. The identification shall be the same as the apartment, office, etc. served by that meter. The identifying marking placed on each meter shall be impressed into or raised from a tag of aluminum, brass or other approved non-ferrous metal with maximum 1/4-inch-high letters. This tag must be attached to the meter pit or box. The impression must be deep enough to prevent the identification(s) from being obscured.

H. IDENTIFICATION OF PREMISES

The premises to be served by the Company shall be clearly identified by the customer at the time of application. If the service address is not recognized in terms of a commonly used identification system, the customer may be required to provide specific written directions and/or legal descriptions before the Company shall be required to act upon a request for water service.

I. SERVICE CALLS FOR ESTABLISHMENTS DURING REGULAR HOURS

The customer for establishment of service by this District shall pay a minimum service charge of \$30.00. In addition, the Company may charge the customer for time, materials and equipment used by the Company if the establishment of service requires repairs or alterations to the Company facilities as a result of the following:

- 1. An interruption caused by the customer's willful act or omission, negligence or failure of customer-owned equipment, even though the Company is unable to perform any work beyond the Point of Delivery.
- 2. A required reconnection of water service to any customer previously disconnected for nonpayment.
- 3. Unlawful use of service, misrepresentation to the Company, unsafe conditions, threats to Company personnel or property, failure to permit safe access, detrimental effect of customer demands on the Company system, failure to establish credit and/or sign an agreement for service, or any other reason authorizing the Company to make connection.

J. SERVICE CALLS FOR ESTABLISHMENTS AFTER REGULAR HOURS

A minimum service charge of \$40.00 will be imposed for a service call after regular hours. In addition, the Company may charge the, customer for time, materials and equipment used by the Company if the establishment of service requires repairs or alterations to the Company facilities as a result of the following:

- An interruption caused by the customer's willful act or omission, negligence or failure of customer-owned equipment, even though the Company is unable to perform any work beyond the Point of Delivery. The Company shall make reasonable effort to advise the customer about the possibility of such charges before the service call starts.
- 2. A required reconnection of water service to any customer previously disconnected for nonpayment.
- 3. Unlawful use of service, misrepresentation to the Company, unsafe conditions, threats to Company personnel or property, failure to permit safe access, detrimental effects of customer demands on the Company system, failure to establish credit and/or sign an agreement for service or any other reason authorizing the Company to make such disconnection. Such work will be performed only when requested and agreed to by the customer.

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015

Month Day Year

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ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 3 MINIMUM CUSTOMER INFORMATION REQUIREMENTS

A. INFORMATION FOR RESIDENTIAL CUSTOMERS

- The Company shall make available upon customer request not later than sixty (60) days from the date of request a concise summary of the rate schedule applied for by the customer. The summary shall include the following:
 - a. Monthly minimum or customer charge, identifying the amount of the charge and the specified amount of usage included in the minimum charge where applicable.
 - b. Rate blocks, where applicable.
 - Any adjustment factor(s) or tax impositions and methods of calculation.
- The Company shall to the extent practical, identify the tariff most advantageous to the customer and notify the customer of such prior to service commencement.
- 3. In addition, the Company shall make available upon customer request not later than sixty (60) days from the date of request a copy of this District's Rules and Regulations governing:
 - a. Deposits
 - b. Termination of service
 - Billing and collection
 - d. Complaint handling
- The Company, upon written request of a customer, shall not, more than once each calendar year; transmit a concise statement of actual consumption by such customer for each billing period during the prior twelve (12) months, unless such data is not reasonably ascertainable.
- 5. The Company shall inform all new customers of their right to obtain the information specified above.

B. INFORMATION REQUIRED DUE TO CHANGES IN TARIFFS

- 1. The Company shall transmit, to affected customers, by the most economic means available, a concise summary of any change in the Company's tariffs affecting those customers.
- 2. This information shall be transmitted to the affected customer within sixty (60) days of the effective date of the change.

ISSUED:

September 15, 2015 Day

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

Year

RULE NO. 4 SERVICE CONNECTIONS AND REESTABLISHMENTS

A. PRIORITY AND TIMING OF SERVICE ESTABLISHMENTS

- After an applicant has complied with the Company's application and deposit requirements and has been accepted for service by the Company, the Company shall schedule that customer for service connection and/or establishment.
- 2. Service establishments shall be scheduled for completion within five (5) working days of the date the customer has been accepted for service, except in those instances when the customer requests service establishment beyond the five (5) working day limitation.
- 3. When the Company has made arrangements to meet with a customer for service establishment purposes and the Company or the customer cannot make the appointment during the prearranged time, the Company shall reschedule the service establishment to the satisfaction of both parties.
- 4. The Company shall schedule service establishment appointments within a maximum range of four (4) hours during normal working hours, unless another time frame is mutually acceptable to the Company and its customer.
- 5. Service establishments shall be made only by qualified Company service personnel or persons authorized by the Company.
- 6. For the purpose of this tariff, service establishments are where the customer's facilities are ready and acceptable to the Company and the Company needs only to install or read a meter or turn the service on.

B. SERVICE LINES

- 1. An applicant for service shall be responsible for the cost of installing their piping up to the meter (i.e., the "Customer Piping").
- 2. An applicant for service shall pay to the Company as a refundable advance in aid of construction a sum for each meter and service line. Where service is being provided for the first time, the sum paid to the Company shall be per the tariff. Where a second meter and service line for a single lot is requested by a customer, which may be for domestic use, irrigation, or fire protection, Company may charge the actual cost of installing the second meter and service line.
- 3. Except where the refundable advances in aid of construction for meters and service lines have been included in refundable advances in aid of construction for main extensions and thus are refundable pursuant to main extension contracts approved by the Commission, each advance in aid of construction for a service line or meter shall be repaid by the Company by an annual credit of one-tenth of the amount received. Said credit to be applied upon the water bill rendered in November of each year until fully paid, for each service line and meter for which the advance was made, and said credit to commence in the month of November for all such advances received during the preceding calendar year.
- 4. Where service is being provided for the first time, the customer shall provide and maintain a private cutoff valve within 18 inches of the meter on the customer's side of the meter, and the Company shall provide a like valve on the Company's side of such meter.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE:

September 1, 2015

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RULE NO. 4 (continued) MINIMUM CUSTOMER INFORMATION REQUIREMENTS

- 5. The Company may install its meter at the property line or, at the Company's option, on the customer's property in a location mutually agreed upon. If on the customer's property, customer shall grant an easement to Company to allow Company to access and maintain the meter and service line.
- 6. Where the meter or service line location on a customer's premises is changed at the request of the customer or due to alterations on the customer's premises, the customer shall provide and install at the customer's expense all Customer Piping. Company may charge the actual cost of removing the meter or service line and may charge the actual cost of installing a new meter or service line.
- 7. The customer's piping must be installed in such a manner as to prevent cross-connection or backflow. Any alteration or repairs done by the customer to the customer's plumbing shall also include bringing the customer's piping up to current Company standards.
- 8. The Company shall retain the right to specify the location and size of any meter setting or service connection.

C. CUSTOMER PROVIDED EQUIPMENT, SAFETY AND OPERATION

Each customer shall be responsible for maintaining all equipment and facilities used for Company services located on the customer's side of the meter in a safe operating condition.

D. EASEMENTS AND RIGHTS-OF-WAY

- 1. Each customer shall grant adequate easements and rights-of-way satisfactory to the Company to ensure that customer's proper service connection. Failure on the part of the customer to grant adequate easements and rights-of-way shall be grounds for the Company to refuse service.
- 2. When the Company discovers that a customer or the customer's agent is performing work or has constructed facilities adjacent to or within an easement or right-of-way and such work, construction, or facility poses a hazard or is in violation of federal, state or local laws, ordinances, statutes, rules or regulations, or significantly interfaces with the Company's access to equipment, the Company shall notify the customer or the customer's agent and shall take whatever actions are necessary to eliminate the hazard, obstruction or violation at the Customer's expense.
- 3. If it is necessary for the Company to excavate in an easement or right-of-way to extend or repair water facilities, the Company will not be responsible for the cost to replace or repair landscaping, fences, trees, shrubs, structures, etc. Placed within the easement or right-of-way.
- 4. The Company shall at all times have the right of safe ingress and egress from the customer's premises at all reasonable ours for any purpose reasonably connected with the Company's property used in furnishing service.

ISSUED:

September 15, 2015

Day Year

EFFECTIVE:

September 1, 2015

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 5 MAIN EXTENSION AGREEMENTS

- A. EXTENSIONS OF MAINS AND SERVICES; ADVANCES IN AID OFCONSTRUCTION GENERAL REQUIREMENTS
 - The Company will supply service for temporary purposes, provided that the Company has water available in excess of the Company's regular needs, and provided the Company has available material and equipment necessary to supply said service. Each applicant for such service must pay in advance, to the Company, the Company's estimate of the cost of labor and materials, less salvage value on removal, for installing and removing such service.
 - 2. An applicant for the extension of mains shall be required to pay the Company, as a refundable advance in aid of construction, before construction is commenced, the estimated reasonable cost of all mains, distribution lines and service lines, including all valves, fittings, meters, other costs and reasonable overheads.
 - a. Upon request by a potential applicant for a main extension, the Company shall prepare, without charge, a preliminary sketch and rough estimates of the cost of installation to be paid by said applicant.
 - b. Any applicant for a main extension requesting the Company to prepare detailed plans, specifications, or cost estimates may be required to deposit with the Company an amount equal to the estimated cost of preparation. The Company shall, upon request, make available within forty-five (45) days after receipt of the deposit referred to above, such plans, specifications, or cost estimates of the proposed main extension. Where the applicant accepts the plans and the Company proceeds with construction of the extension, the deposit shall be credited to the cost of construction; otherwise the deposit shall be nonrefundable. If the extension is to include over-sizing of facilities to be done at the Company's expense, appropriate details shall be set forth in the plans, specifications and cost estimates.
 - c. In the event that additional facilities are required to provide or sustain pressure, storage, or water supply for the new service or services requested, or for existing customers as a consequence of the extension of service, and the cost of the additional facilities is disproportionate to anticipated revenues to be derived from the future customers, the estimated reasonable cost of such additional facilities may be included in refundable advances in aid of construction to be paid to the Company.
 - 3. Refunds of advances shall be made in accord with the following method: the Company shall each year, pay to the party making an advance under a main extension agreement, or that party's assigns or other successors in interest where the Company has received notice and evidence of such assignment or succession, an amount equal to ten per centum (10%) of the total gross annual revenue, less any gross receipts or sales taxes and amounts payable to any municipalities or others for treatment and/or transmission of water from each bonafide customer whose service is connected directly to main or extension lines covered by the main extension agreement. Refunds shall not be made for any period after the expiration of ten (10) years from the date of the advance. Refunds shall be made by the Company on or before the 31st day of August of each year, covering any refunds owing from water revenues received during the preceding July 1st to June 30th period. A balance remaining at the end of the ten-year period shall become non-refundable, and the balance not refunded shall be entered as a contribution in aid of construction in the accounts of the Company.

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY:

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RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

- 4. The aggregate refunds shall in no event exceed the total of the refundable advances in aid of construction. No interest shall be paid by the Company on any amount advanced. The Company shall make no refunds from any revenues received from any lines or mains, other than customer service lines, leading up to, or taking off, from the particular main extension covered by the agreement.
- 5. The Company may, upon approval by the Commission, terminate its obligation to refund a percentage of gross revenues from a main extension by accord and satisfaction of its obligations under the main extension agreement.
- 6. All agreements entered into shall be evidenced by a written agreement, and signed by the Company and all parties advancing the funds for advances in aid of construction, or the duly authorized agents of each.
- 7. The size, type and quality of materials and of the system, installed location in the ground, and the manner of installation, shall be specified by the Company, and shall accord with the requirements of the Commission or other public agencies having authority therein. The Company may install main extensions of any diameter meeting the requirements of the Commission or any other public agencies having authority over the construction and operation of the water system.
- 8. All mains, valves, fittings, wells, meters, tanks, and other facilities installed shall be the sole property of the Company, and parties making advances in aid of construction shall have no right, title or interest in any such facilities.
- 9. The Company, upon written request, shall furnish to any party seeking to enter into a main extension agreement a schedule of the proposed reasonable contract price for such extension of mains or other facilities. Such schedules show a breakdown of the contract prices of materials and costs of installation. Different sizes and types of mains shall be separately stated. Valves, meters, and fittings shall be separately stated or listed as a percentage of total cost. All advances shall be made without provision for profit to the Company but shall include reasonable overheads.
- 10. The Company shall schedule, within reason, new requests for main extension agreements and for service under main extension agreements, promptly and in order received.
- 11. If an applicant for service seeking to enter into a main extension agreement deems the contract price or the time of performance to be unreasonable, the applicant may solicit bids from bonded contractors, provided that all bids shall be submitted by the bid date stipulated by the Company. If a lower bid is obtained, or if a bid is obtained at an equal price with a more appropriate time of performance, and if such bid contemplates total conformity with the Company's requirements and specifications, the Company shall be required to meet the terms and conditions of the bid proffered, or to enter into a construction contract with the contractor proffering such bid. A performance bond in the total amount of the contract may be required by the Company from the contractor prior to construction.
- 12. In the case of disagreement or dispute regarding the application of this rule or any of its several provisions, or where the application of this rule works an injustice or undue hardship upon any party or anticipated party to any agreement hereunder, the party aggrieved may refer the matter to the Commission for hearing and decision in accord with the Rules of Practice and Procedure of the Commission.

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RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

- 13. All agreements shall be filed with and approved by the Utilities Division of the Commission. Where agreements for extension of service are not filed and approved, all advances in aid of construction shall be immediately due and payable to any person making such an advance.
- 14. No extension of facilities shall be made without first having received approval of plans and specifications of such extensions or installations from the Arizona State Department of Health Services. A copy of such written approval shall then be filed with the Utilities Division of the Arizona Corporation Commission.

B. WRITTEN AGREEMENT REQUIREMENTS

- 1. Each main extension agreement shall include the following information:
 - a. Name and address of applicant(s).
 - b. Proposed service address or location.
 - c. Description of requested service.
 - d. Description and map of the requested line extension.
 - e. Itemized cost estimate to include materials, labor and other costs as necessary.
 - f. Payment terms.
 - g. A clear and concise explanation of any refunding provisions, if applicable.
 - h. Company's estimated start date and completion date for construction of the main extension.
- 2. Each applicant shall be provided with a copy of the written main extension agreement.

C. FINAL COST

- 1. In the event the Company's actual completed cost is less than the amount advanced by the customer, the Company shall make a refund to the applicant within 30 days after completion of the construction or Company's receipt of invoices related to that construction.
- 2. In the event the Company's actual completed cost is more than the amount advanced by the customer the Company shall notify the applicant and the applicant shall remit additional funds within 30 days of notification of the actual completed cost. Should the applicant fail to remit additional funds, service may be discontinued to the extension until the actual completed cost is paid in full.

D. CONSTRUCTION/FACILITIES RELATED INCOME TAXES

1. Definitions:

- a. "Company" or "utility" refers to the entity authorized to provide public utility service in the geographic area involved.
- b. "Rate Basing" The Company pays federal income tax (FIT) and state income tax (SIT), if any, due on the receipt of an Advance in Aid of Construction (AIAC) or a Contribution in Aid of Construction (CIAC) in accordance with the Tax Reform Act of 1986 (TRA-86), as amended. Tax paid is included in the Deferred

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RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

Income Tax Account and is used in the calculation of rate base. This amount is reduced by the effect of tax depreciation received for AIAC/CIAC plant and tax deductions resulting from refunds of AIAC.

- c. "Full Gross Up" Utility requires contributor/advancer to pay entire FIT/SIT plus a gross-up to reflect the tax on tax resulting from treating effected AIAC/CIAC payments as taxable income.
- 2. For construction or proposed construction which, in the judgment of the Company, will be utilized by ultimate customers of the Company in the near future, the Company shall account for the advances and/or contributions required by this Rule by "Rate Basing" them as defined in Paragraph D.1.b. No additional tax related amount should be required with the AIAC or CIAC.
- 3. For construction or proposed construction costs collected pursuant to tariff provisions, Commission Rules and Regulations, or orders, and which are subject to Paragraph D.4 the Company shall require contributor/advancer to provide funds necessary for Company to pay the state and federal tax obligations associated with the subject construction or proposed construction.
- In the event the Company determines that the required construction, proposed construction or development fall within certain criteria, some of which are set forth below, Company may petition the Commission to authorize it to collect from the contributor/advancer funds sufficient to pay the "Full Gross Up" of the state and federal income taxes as defined in Paragraph D.1.c. Without intending to limit, examples of events which shall cause Company to require contributor/ advancer to advance the taxes as contemplated herein, are as follows:
 - a. The development or build-out of the project is remote or speculative; or
 - b. The size of the development, as compared to the size of the Company's customer base, represents undue risk for the Company; or
 - c. The size of the advance/contribution or its related cost is extraordinarily large relative to the Company's rate base or revenues; or
 - d. The public interest is better served by treating the advance/contribution as other than the "Rate Basing" methodology.

The Company must present sufficient evidence that its request to require "Full Gross Up" of taxes under this paragraph is in the public interest. The Commission may deny, alter, or amend the Company's petition for authorization to require "Full Gross Up".

- 5. In the event contributor/advancer is required by other tariff, agreement, rule or order to advance Facilities for the subject development, those AIAC/CIAC's shall be subject to the provisions of this Section D.
- 6. If, in the judgment of the Company based upon the specific development, tax or regulatory considerations, it is deemed inappropriate to utilize either the "Rate Basing" methodology or the "Full Gross Up" methodology, the Company shall obtain specific Commission approval authorizing alternative treatment.
- 7. Paragraphs 1-7 of this Section of the Extension Rule shall apply to all refundable AIAC and CIAC agreements entered into on or after September 1, 1988, as well as to all prior AIAC and CIAC agreements performed in any manner after September 1, 1988.

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RULE NO. 6 PROVISION OF SERVICE

A. COMPANY RESPONSIBILITY

- 1. The Company shall be responsible for providing potable water to the customer's Point of Delivery.
- 2. The Company may, at its option, refuse service until the customer has obtained all required permits and/or inspections indicating that the customer's facilities comply with local construction and safety standards.

B. CUSTOMER RESPONSIBILITY

- 1. Each customer shall be responsible for maintaining all facilities on the customer's side of the Point of Delivery in a safe and efficient manner and in accordance with the rules of the Arizona Department of Health Services, and the prescribed specifications of the Company.
- 2. Each customer shall be responsible for safeguarding all Company property installed in or on the customer's premises for the purpose of supplying water to that customer.
- 3. Each customer shall exercise all reasonable care to prevent loss or damage to Company property, excluding ordinary wear and tear. The customer shall be responsible for loss of or damage to Company property on the customer's premises arising from neglect, carelessness, or misuse and shall reimburse the Company for the cost of necessary repairs and replacements.
- 4. Each customer shall be responsible for payment for any equipment damage resulting from unauthorized breaking of seals, interfering, tampering, or bypassing the Company meter.
- 5. The customer shall be responsible for notifying the Company of any failure identified in the Company's equipment.
- 6. Water furnished by this District shall be used only on the customer's premises and shall not be resold to any other person. During critical water conditions, as determined by the Commission, the customer shall use water only for those purposes specified by the Commission. Disregard of this rule shall be sufficient cause for refusal or discontinuance of service.
- 7. The customer agrees, when accepting service, that no one except Company employees or persons authorized by the Company shall be allowed to operate, remove or replace any Company owned equipment installed on customer's property.
- 8. No person, except an employee or persons acting on behalf of the Company shall alter, remove or make any connection to the Company's meter or service equipment.
- 9. No meter seal may be broken or removed by anyone other than an employee or person acting on behalf of the Company. However, the Company may give its prior consent to break the seal by an approved plumber employed by a customer when deemed necessary by the Company.

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RULE NO. 6 (continued) PROVISION OF SERVICE

- 10. The customer will be held responsible for any broken seals, tampering, or interfering with the Company's meter(s) or any other Company owned equipment installed on the customer's premises. In cases of tampering with meter installations, interfering with the proper working thereof, or any such tampering, interfering, theft, or service diversion, including the falsification of customer's meter readings, that customer shall be subject to immediate discontinuance of service. The Company shall be entitled to collect from the current customer under the appropriate rate, for all consumption not recorded on the meter as the result of such tampering, or other theft of service, and also any additional security deposits as well as all expenses incurred by the Company for property damages, investigation of the illegal act, and all legal expenses and court costs, if necessary.
- 11. The customer will be held liable for any loss or damage occasioned or caused by the customer's negligence, want of proper care or wrongful act or omission on the part of any customer's agents, employees, licenses, or contractors.

C. CONTINUITY OF SERVICE

The Company shall make reasonable efforts to supply a satisfactory and continuous level of service. However, the Company shall not be responsible for any damage or claim of damage attributable to any interruption or discontinuation of service resulting from:

- a. Any cause against which the Company could not have reasonably for seen or made provision for, i.e., force majeure.
- b. Intentional service interruptions to make repairs or perform routine maintenance.
- c. Curtailment

D. SERVICE INTERRUPTIONS

- 1. The Company shall make reasonable efforts to reestablish service within the shortest possible time when service interruptions occur.
- The Company shall make reasonable provision to meet emergencies resulting from failure of service, and shall issue instructions to its employees covering procedures to be followed in the event of emergency in order to prevent or mitigate interruption or impairment of service.
- In the event of a national emergency or local disaster resulting in disruption of normal service, the Company may, in the public interest, interrupt service to other customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.
- When the Company plans to interrupt service for more than four (4) hours to perform necessary repairs or maintenance the Company shall attempt to inform affected customers at least twenty-four (24) hours in advance of the scheduled date and estimated duration of the service interruption. Such repairs shall be completed in the shortest possible time to minimize the inconvenience to the customers.

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RULE NO. 6 (continued) PROVISION OF SERVICE

5. The Commission shall be notified of interruptions in service affecting the entire system or any major division thereof. The interruption of service and cause shall be reported within four (4) hours after the responsible representative of the Company becomes aware of said interruption, by telephone to the Commission, and followed by a written report to the Commission.

E. MINIMUM DELIVERY PRESSURE

The Company shall maintain a minimum standard delivery pressure of 20 pounds per square inch gauge (PSIG) at the customer's meter or Point of Delivery.

F. CONSTRUCTION STANDARDS

The Company shall construct or cause to be constructed all facilities in accordance with the guidelines established by the Arizona Department of Environmental Quality or its successors, delegate or any other governmental agency having jurisdiction thereof, and the Company. Phased construction is acceptable.

G. ELECTION OF RATE SCHEDULES

The Company shall use its best efforts to select the most favorable rate for which the customer is eligible based on available data at the time of application. The Company shall use its best efforts for notifying the customer of the most favorable rate schedule if the class has changed after initial application, and shall not be required to refund the difference in charge under different rate schedules. Upon written application of any material changes in the customer installation, the Company will assist in determining if a change in rate schedule is desirable.

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RULE NO. 7 METER READING

A. **FREQUENCY**

Each meter shall be read monthly or as close to the same day of each month as practicable unless otherwise approved by the Commission.

B. MEASURING OF SERVICE

- All water delivered by the Company shall be billed upon the basis of metered volume sales, except that the Company may, at its option, provide a fixed charge for the following:
 - a. Temporary service where the water use can be readily estimated.
 - b. Public and private fire protection service.
 - c. Water used for street sprinkling and sewer flushing, when provided for by contract between the Company and the municipality or other local governmental authority.
 - d. Other fixed charge schedules as shall be submitted to and approved by the Commission.
- When there is more than one meter at a location, the metering equipment shall be so tagged or plainly marked as to indicate tie facilities being metered.

C. **CUSTOMER REQUESTED REREADS**

- 1. The Company shall at the request of the customer reread the customer's meter within ten (10) working days after such request by the customer.
- 2. Any rereads shall be charged to the customer at the rate on file and approved by the Commission, provided that the original reading was not in error. Adjustment for reasonable usage since the original reading was taken shall be considered when determining the original reading.
- 3. When the original reading is found to be in error, the re read shall be at no charge to the customer, given adjustment for reasonable usage since the original reading was taken.

D. ACCESS TO CUSTOMER PREMISES

The Company shall at all times have the right of safe ingress to and egress from the customer's premises at all reasonable hours for any purpose reasonably connected with the Company's property used in furnishing service and the exercise of any and all rights secured to it by law or these rules.

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RULE NO. 7 (continued) METER READING

- Ε. METER TESTING AND MAINTENANCE PROGRAM.
 - 1. The Company shall establish a regular program of meter testing taking into account the following factors:
 - a. Size of meter
 - b. Age of meter
 - Consumption
 - Characteristics of water
- F. **CUSTOMER REQUESTED METER TESTS**

The Company shall test a meter upon customer request, and shall be authorized to charge the customer for such meter test according to the tariff on file and approved by the Commission. However, if the meter is found to over register by more than three percent (3%), no meter-testing fee will be charged to the customer.

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RULE NO. 8 BILLING AND COLLECTION

A. FREQUENCY AND ESTIMATED BILLS

- 1. The Company shall bill monthly for services rendered. Meter readings shall be scheduled for periods of not less than twenty-five (25) days or more than thirty-five (35) days, unless otherwise approved by the Commission.
- 2. If the Company is unable to read the meter on a scheduled meter read date, it will estimate the consumption for the billing period giving consideration to the following factors when applicable:
 - a. The customer's usage during the same month of the previous year.
 - b. The amount of usage during the preceding month.
- 3. After the second consecutive month of estimating the customer's bill for reasons other than severe weather or standard billing practice as approved by the Commission, the Company will attempt to secure an accurate reading of the meter.
- 4. Failure on the part of the customer to comply with a reasonable request by the Company for access to its meter may lead to the termination of service.
- 5. Estimated bills will be issued only under the following conditions:
 - a. Failure of a customer who reads his own meter to deliver his meter reading card to the Company in accordance with the requirements of the Company's billing cycle.
 - b. Severe weather conditions that prevent the Company from reading the meter.
 - c. Circumstances that make it dangerous or impossible to read the meter, i.e., locked gates, blocked meters, vicious or dangerous animals, etc.
 - d. Other billing cycles as approved by the Commission.
- 6. Each bill based on estimated usage will indicate that it is an estimated bill.

B. COMBINING METERS, MINIMUM BILL INFORMATION

- 1. Each meter at a customer's premises will be considered separately for billing purposes, and the readings of two or more meters will not be combined.
- 2. Each bill for residential service will contain the following minimum information:
 - a. Date and meter reading at the end of the actual or estimated billing period.
 - b. Previous month's actual or estimated meter reading and date.

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RULE NO. 8 (continued) BILLING AND COLLECTION

- c. Billing usage.
- d. Company telephone number.
- e. Customer's name.
- f. Service account number.
- g. Amount due and terms of payment.
- h. Past due amount where appropriate.
- i. Adjustment factor, where applicable.
- j. Privilege, sales or use tax, or any regulatory assessment applicable.
- k. Other approved tariff charges.

C. BILLING TERMS

- 1. All bills for services are due and payable when rendered. All bills not paid within fifteen (15) days shall be considered delinquent.
- 2. For purposes of this rule, the date a bill is rendered may be evidenced by:
 - a. The postmark date.
 - b. The mailing date.
- 3. All delinquent bills shall be subject to the provisions of the Company's termination procedures.
- 4. All payments shall be made at offices of the Company or designated payment stations, or to the address shown on the bill form.
- D. APPLICABLE TARIFFS, PREPAYMENT, FAILURE TO RECEIVE, COMMENCEMENT DATE, TAXES
 - 1. Each customer shall be billed under the applicable tariff indicated in the customer's application for service.
 - 2. The Company shall make provisions for advance payment for services.
 - 3. Failure to receive bills or notices that have been properly placed in the United States mail shall not prevent such bills from becoming delinquent nor relieve the customer of his obligations therein.
 - Charges for service commence when the service is installed and connection made, whether used or not.
 - 5. In addition to the collection of regular rates, the Company may collect from its customers a proportionate share of any privilege, sales or use tax, or other imposts based on the gross revenues received by the Company.

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RULE NO. 8 (continued) BILLING AND COLLECTION

E. METER ERROR CORRECTIONS

- 1. If any meter after testing is found to be more than three percent (3%) in error, either fast or slow, proper correction between three percent (3%) and the amount of the error shall be made of previous readings, and adjusted bills shall be rendered according to the following terms:
 - a. For the period of three (3) months immediately preceding the removal of such meter from service for test or from the time the meter was in service since last tested, but not exceeding three (3) months since the meter shall have been shown to be in error by such test, or
 - From the date the error occurred, if the date of the cause can be definitely fixed.
- The Company will make no adjustment, except to the customer last served by the meter tested.

F. INSUFFICIENT FUNDS (NSF) CHECKS

- 1. The Company shall be allowed to recover a fee, as approved by the Commission for each instance where the customer tenders payment for service with an insufficient funds check, and require a security deposit equal to that prescribed in Section B, provision 7 of Rule No. 2.
- 2. When the Company is notified by the customer's bank that there are insufficient funds to cover the check tendered for service, the Company may require the customer to make payment in cash, money order, certified check, or other means which guarantee the customer's payment to the Company.
- 3. A customer who tenders an insufficient funds check shall in no way be relieved of the obligation to render payment to the Company under the original terms of the bill nor defer the Company's provision for termination of service for nonpayment of bills.
- 4. The Company will not accept personal checks if two (2) NSF checks have been received within a twelve-month period in payment of any billing.

G. DEFERRED PAYMENT PLAN

- 1. The Company may, prior to termination, offer to qualifying residential customers a deferred payment plan for the customer to retire unpaid bills for service.
- 2. Each deferred payment agreement, entered into in writing by the customer and the Company, due to the customer's inability to pay an outstanding bill in full shall provide that service will not be discontinued if:
 - a. Customer agrees to pay a reasonable amount of the outstanding bill at the time the parties enter into the deferred payment plan.
 - b. Customer agrees to pay all future bills for service in accordance with the billing and collection tariffs of the Company.

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RULE NO. 8 (continued) BILLING AND COLLECTION

- c. Customer agrees to pay a reasonable portion of the remaining outstanding balance in installments over a period not to exceed six (6) months.
- 3. For the purpose of determining a reasonable installment payment schedule under these rules, the Company and the customer shall give consideration to the following conditions:
 - a. Size of the delinquent account.
 - b. Customer's ability to pay.
 - c. Customer's payment history.
 - d. Length of time that the debt has been outstanding.
 - e. Circumstances that resulted in the debt being outstanding.
 - f. Any other relevant factors related to the circumstances of the customer.
- 4. Any customer who desires to enter into a deferred payment agreement shall establish such agreement prior to the Company's scheduled termination date for nonpayment of bills. A customers' failure to execute a deferred payment agreement prior to the scheduled termination date shall not prevent the Company from terminating service for nonpayment.
- 5. Deferred payment agreements shall be in writing and signed by the customer and an authorized Company representative
- 6. A deferred payment agreement may include a finance charge as approved by the Commission in a tariff proceeding,
- 7. If a customer has not fulfilled the terms of a deferred payment agreement, the Company shall have the right to disconnect service pursuant to this District's termination of service rules-and, under such circumstances, it shall not be required to offer subsequent negotiation of a deferred payment agreement prior to termination.

H. LATE PAYMENT PENALTY

- 1. The Company may include in its tariffs a late payment penalty that may be applied to delinquent bills.
- 2. The amount of the late payment penalty shall be indicated upon the customer's bill when rendered by the Company.
- 3. In the absence of an approved tariff, the amount of the late payment penalty shall not exceed 1 ½% per month of the delinquent bill, applied on a monthly basis.

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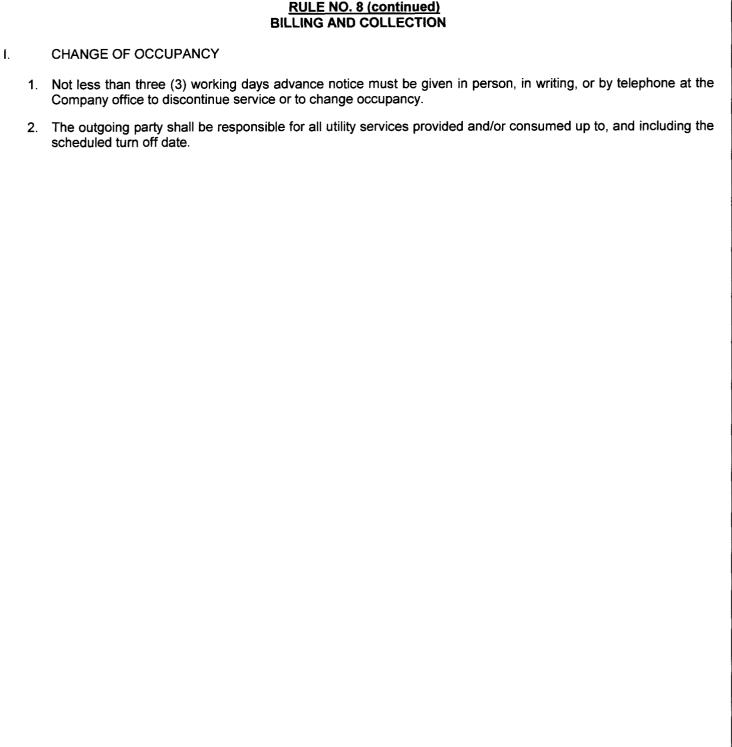
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RULE NO. 9 TERMINATION OF SERVICE

A. NONPERMISSIBLE TERMINATION OF SERVICE

The Company may not disconnect service for any of the reasons stated below:

- a. Delinquency in payment for services rendered to a prior customer at the premises where service is being provided, except in the instance where the prior customer continues to reside on the premises.
- b. Failure of the customer to pay for services or equipment not regulated by the Commission.
- c. Nonpayment of a bill related to another class of water service.
- d. Failure to pay for a bill to correct a previous under billing due to a billing error, inaccurate meter reading or meter failure, if the customer and Company agree in writing to payment terms over a reasonable period of time.
- e. Disputed bills where the customer has complied with the Commission's rules and regulations.

B. TERMINATION OF SERVICE WITHOUT NOTICE

- 1. Company service may be disconnected without advance written notice under the following conditions:
 - a. The existence of an obvious hazard to the safety or health of the consumer, the general population, Company personnel or facilities.
 - b. The Company has evidence of meter fraud.
 - c. Unauthorized resale or use of utility services.
 - d. Failure of a customer to comply with the curtailment of procedures imposed by a utility during supply shortages.
- 2. The Company shall not be required to restore service until the conditions that resulted in the termination have been corrected to the satisfaction of the Company.
- 3. The Company shall maintain a record of all terminations of service without notice. This record shall be maintained for a minimum of one (1) year and shall be available for inspection by the Commission.

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RULE NO. 9 (Continued) TERMINATION OF SERVICE

C. TERMINATION OF SERVICE WITH NOTICE

- 1. The Company may disconnect service to any customer for any reason stated below, provided the Company has met the notice requirements established by the Commission.
 - a. Customer violation of any of the Company's tariffs filed with the Commission and/or violation of the Commission's rules and regulations.
 - b. Failure of the customer to pay a delinquent bill for water service.
 - c. Failure to meet or maintain the Company's credit and deposit requirements.
 - d. Failure of the customer to provide the Company reasonable access to its equipment and property.
 - Customer breach of a written contract for service between the Company and customer.
 - f. When necessary for the Company to comply with an order of any governmental agency having such jurisdiction.
 - g. The Company may terminate water service to effect sewer service termination when it provides both services to the same customer upon the same premises.
- 2. The Company shall maintain a record of all terminations of service with notice. This record shall be maintained for one (1) year and be available for Commission inspection.

D. TERMINATION NOTICE REQUIREMENTS

- 1. The Company shall not terminate service to any of its customers without providing advance written notice to the customer of the Company's intent to disconnect service, except under those conditions specified where advance written notice is not required.
- Such advance written notice shall contain, at a minimum, the following information:
 - a. The name of the person whose service is to be terminated and the address where service is being rendered.
 - b. The Commission rule or regulation that was violated and explanation thereof or the amount of the bill which the customer has failed to pay in accordance with the payment policy of this District, if applicable.
 - The date on or after which service may be terminated.
 - d. A statement advising the customer to contact the Company at a specific address or phone number for information regarding any deferred payment or other procedures which the Company may offer or to work out some other mutually agreeable solution to avoid termination of the customer's service.

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RULE NO. 9 (continued) TERMINATION OF SERVICE

e. A statement advising the customer that the Company's stated reason for the termination of service may be disputed by contacting the Company at a specified address and phone number, advising the Company of the dispute and making arrangements to discuss the cause for termination with a reasonable employee of the Company in advance of the scheduled date of termination. The responsible employee shall be empowered to resolve the dispute and the Company shall retain the option to terminate service after affording this opportunity for a meeting and concluding that the reason for termination is just and advising the customer of his right to file a complaint with the Commission.

F TIMING OF TERMINATION WITH NOTICE

- 1. The Company shall be required to give at least ten (10) days advance notice prior to termination date.
- 2. Such notice shall be considered to be given to the customer when a copy thereof is left with the customer or posted first class in the United States mail, addressed to the customer's last known address.
- 3. If after the period of time allowed by the notice has elapsed and the delinquent account has not been paid nor arrangements made with the Company for the payment thereof or in the case of a violation of the Company's rules the customer has not satisfied the Company that such violation has ceased, the Company may then terminate service on or after the day specified in the notice without giving further notice.
- 4. An authorized representative of the Company may only disconnect Service in conjunction with a personal visit to the premises.
- 5. The Company shall have the right (but not the obligation) to remove any or all of its property installed on the customer's premises upon the termination of service.

F. LANDLORD/TENANT RULE

- 1. In situations where service is rendered at an address different from the mailing address of the bill or where the Company knows that a landlord/tenant relationship exists and that the landlord is a customer of the Company, and where the landlord as customer would otherwise be subject to disconnection of service, the Company may not disconnect service until the following actions have been taken:
 - a. Where it is feasible to so provide service, the Company, after providing notice as required in these rules, shall offer the occupant the opportunity to subscribe for service in his or her own name. If the occupant then declines to so subscribe, the Company may disconnect service pursuant to the rules.
 - b. The Company shall not attempt to recover from a tenant or condition service to a tenant with the payment of any outstanding bills or other charge due upon the outstanding account of the landlord.

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RULE NO. 10 ADMINISTRATIVE AND HEARING REQUIREMENTS

A. CUSTOMER SERVICE COMPLAINTS

- 1. The Company shall make full and prompt investigation of all service complaints made by its customers, either directly or through the Commission.
- 2. The Company shall respond to the complaint and/or the Commission representative within five (5) working days as to the status of the Company investigation of the complaint.
- The Company shall notify the complainant and/or the Commission representative of the final disposition of each complaint. Upon request of the complainant or the Commission representative, the Company shall report the findings of its investigation in writing.
- 4. The Company shall inform the customer of his right of appeal to the Commission should the results of the Company's investigation prove unsatisfactory to the customer.
- 5. The Company shall keep a record of all written service complaints received which shall contain, at a minimum, the following data:
 - a. Name and address of complainant.
 - b. Date and nature of complaint.
 - c. Disposition of the complaint.
 - d. A copy of any correspondence between the Company, the customer, and/or the Commission.

This record shall be maintained for a minimum period of one (1) year and shall be available for inspection by the Commission.

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ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

Tubac Water Rules and Regulations

Legally named and operating in:

and regulations of this District.

Tubac Water District (Name of Service Area)

RULES AND REGULATIONS APPLICABLE TO WATER SERVICE OF **TUBAC WATER DISTRICT**

Santa Cruz County, Arizona		

These rules and regulations have been authorized by the Arizona Corporation Commission and are the effective rules

Services will be furnished in accordance with these rules and regulations and no officer, employee, or representative of this Company has any authority to write, alter, or amend these rules and regulations or any parts thereof in any respect.

ISSUED:

September 15, 2015 Month Day Year

EFFECTIVE: September 1, 2015 Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027

Decision No. 75268

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ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

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Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

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ISSUED:

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ISSUED: September 15, 2015 EFFECTIVE:

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

PRELIMINARY STATEMENT

Tubac Water District (hereinafter the "District") of EPCOR Water Arizona Inc. (hereinafter the "Company") is engaged in the business of supplying water service in the County or counties previously mentioned.

These Rules and Regulations are designed to govern the supply of water in such manner as will secure to each customer the greatest practicable latitude in the enjoyment of service, consistent with good service to himself and other customers, and with safety to the public and the Company's employees.

These Rules and Regulations are on file with the Arizona Corporation Commission of the State of Arizona, and copies are available at all Company offices. They are a part of every contract for service and govern all classes of service, except where specific provisions in contracts or schedules modify it. All prior rules, customs, or alleged understandings are hereby rescinded. These rules and regulations are available for review by any customer, at any office of the Company.

Rates for metered service and other services rendered are those on file with the Arizona Corporation Commission and are available at the offices of the Company.

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE: September 1, 2015

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 1 DEFINITIONS

For the purpose of these rules and regulations, unless the context otherwise requires, the following definitions shall apply:

- 1. Advance in Aid of Construction: Funds provided to the Company by an applicant under the terms of a main extension agreement of service connection tariff, the amount of which may be reasonable.
- 2. Applicant: A person requesting the Company to supply water service.
- 3. Application: A written request of the Company for water service, as distinguished from an inquiry as to the availability or charges for such service.
- 4. Arizona Corporation Commission: The regulatory authority of the State of Arizona having jurisdiction over the public service corporations operating in Arizona.
- 5. Billing Month: The period between any two regular readings or estimated readings of the Company's meters at approximately thirty (30) day intervals.
- 6. Billing Period: The time interval between two consecutive meter readings or estimates that are taken for billing purposes.
- 7. Commission: The Arizona Corporation Commission.
- 8. Commodity Charge: The unit of cost per billed usage, as set forth in the Company's tariffs.
- 9. Company: EPCOR Water Arizona Inc.
- 10. Contributions in Aid of Construction: Funds provided to the Company by an applicant under the terms of a main extension agreement and/or service connection tariff, the amount of which is not refundable.
- 11. Customer: The person or entity in whose name service is rendered, as evidenced by the signature on the application or contract for that service, or by the receipt and/or payment of bills regularly issued, regardless of the identity of the actual user of the service.
- 12. Customer Charge: The amount the customers must pay the Company for the availability of water service, excluding any water used, as specified in this District's tariffs.
- 13. Customer Piping: The pipe that transports water to the customer from the Point of Delivery to the point of usage by the customer.
- 14. Day: Calendar day.
- 15. Distribution Main: A water main of the Company from which service connections may be extended to customers.
- 16. District Tubac Water District
- 17. Interruptible Water Service: Water service that is subject to interruption or curtailment.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

Month

Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027

Decision No. 75268

RULE NO. 1 (continued) DEFINITIONS

- 18. Main Extension: The mains and ancillary facilities relevant to providing service to additional customers via the extension of the distribution system.
- 19. Master Meter: A meter owned by Company for measuring or recording the volume or flow of water at a single location where said water is transported through a piping system to several tenants or occupants for their individual consumption.
- Meter: A Company-owned instrument that measures and indicates or records the volume of water that passes through it.
- 21. Meter Tampering: A situation where a meter has been illegally altered. Common examples are meter bypassing, use of devices to slow the meter recorder, and broken meter seals.
- 22. Minimum Charge: The amount the customer must pay for the availability of water service, including an amount of usage, as specified in this District's tariffs.
- 23. Minimum Delivery Pressure: 20 pounds per square inch gauge at the meter or Point of Delivery.
- 24. Permanent Customer: A customer who is a tenant or owner of a service location who applies for and receives permanent water service.
- 25. Permanent Service: service which, in the opinion of the Company, is of a permanent and established character. The use of water may be continuous, intermittent, or seasonal in nature.
- 26. Person: Any individual, partnership, corporation, governmental agency, or other organization operating as a single entity.
- 27. Point of Delivery: The point where facilities owned, leased or under license by a customer connect to Company's pipes or to the outlet side of Company's meter.
- 28. Premises: All of the real property and apparatus employed in a single enterprise or living unit on an integral parcel or land undivided by public streets, alleys, or railways.
- 29. Residential Subdivision Development: Any tract of land that has been divided into six or more contiguous lots for use in the construction of residential buildings or permanent mobile homes for either single or multiple occupancy; as "subdivision" is defined by Arizona Revised Statutes §32-2101.
- 30. Residential Use: Service to customers using water for domestic purposes such as personal consumption, water heating, cooking, clothes washing, and other residential uses, including use in apartment buildings, mobile home parks, and other multi-unit residential buildings.
- 31. Rules: The regulations set forth in the tariffs that apply to the provision of water service.
- 32. Service Area: The territory in which the Company has been granted a certificate of convenience and necessity and is authorized by the Commission to provide water service in this District.

ISSUED:

September 15, 2015 Month Day Year

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 1 (continued) DEFINITIONS

- 33. Service Establishment Charge: The charges specified in this District's tariffs that cover the cost of establishing a new account.
- 34. Service Line: A water line that transports water from a common source (normally a distribution main) of supply to the customer's Point of Delivery.
- 35. Service Reconnect Charge: The charge as specified in this District's tariffs that must be paid by the customer prior to reestablishment of water service each time the water is disconnected for nonpayment or whenever service is discontinued for failure otherwise to comply with this District's filed rules.
- 36. Service Reestablishment Charge: A charge as specified in this District's tariffs, for service at the same location where the customer or a member of the customer's immediate family, had ordered a service disconnection within the preceding twelve month period.
- 37. Single Family Dwelling: A house, an apartment, or a mobile home permanently affixed to a lot, or any other permanent residential unit that is used as a home.
- 38. Tariffs: The documents filed with the Commission that list the services and products offered by this District and that set forth the terms, conditions, and a schedule of the rates and charges for those services and products.
- 39. Temporary service: service to premises or enterprises that is temporary in character, or where it is known in advance that the service will be of limited duration. Service that, in the opinion of the Company, is for operations of a speculative character is also considered temporary service.
- 40. Utility: The public service corporation providing water service to the public in compliance with state law.

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE: September 1, 2015

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RULE NO. 2 ESTABLISHMENT OF SERVICE

A. INFORMATION FROM NEW APPLICANTS

- 1. The Company may obtain the following minimum information prior to acceptance of the applicant as a customer.
 - Name or names of applicant(s).
 - b. Service address or location and telephone number.
 - Billing address or location and telephone number, if different than service address.
 - d. Address where service was provided previously.
 - e. Date applicant will be ready for service.
 - Indication of whether premises have been supplied with Company service previously.
 - g. Purpose for which service is to be used.
 - h. Indication of whether applicant is owner or tenant of or agent for the premises, and written proof of agency.
- 2. The Company may require a new applicant for service to appear at the Company's designated place of business to produce proof of identity and sign the Company's application form.
- 3. Where service is requested by two or more individuals the Company shall have the right to collect the full amount owed to the Company from any one of the applicants.

B. **DEPOSITS**

- 1. The Company may require a deposit from any new applicant for service.
- 2. The Company shall issue a nonnegotiable receipt to the applicant for the deposit. The inability of the customer to produce such a receipt shall in no way impair his right to receive a refund of the deposit which is reflected on the Company's records.
- 3. Interest on deposits shall be calculated annually at an interest rate filed by the Company and approved by the Commission in a tariff proceeding. In the absence of such, the interest rate shall be 6%.
- 4. Interest shall be computed and accrued to the customers account on an annual basis.
- 5. Residential deposits plus accrued interest shall be refunded within thirty (30) days after discontinuance of service when the customer has paid all outstanding amounts due the Company.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

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2355 W. Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027

Decision No. 75268

RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

- 6. A separate deposit may be required for each meter installed.
- 7. The amount of a deposit required by the Company shall be determined according to the following terms.
 - a. Residential customer deposits shall not exceed two times the average residential class bill as evidenced by this District's most recent annual report filed with the Commission.
 - b. Nonresidential customer deposits shall not exceed two and one-half times that customer's estimated maximum monthly bill.
 - c. The Company may review the customer's usage after service has been connected and adjust the deposit amount on the basis of the customer's actual usage.
- 8. Residential Customer Deposits will automatically be refunded by the Company after twelve (12) consecutive months during which time the customer has not been delinquent more than three (3) times in a twelve (12) month period, or at the discretion of the Company at any time before service is discontinued. Upon final discontinuance of the use of the service and full settlement of all bills by the customer, any deposit, not previously refunded, with accrued interest, if any, in accordance with the provisions of this policy will be returned to the customer or at the Company's election, it may be applied to the payment of any unpaid accounts of the customer and the balance, if any, returned to the customer.
- The Company may require a customer to establish or reestablish a deposit if the customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or has been disconnected for nonpayment during the last twelve (12) months.
- 10. Deposits shall not prevent the Company from terminating the agreement for service with a customer or suspending service for any failure in the performance of customer obligations under the agreement for service or any violation of this District's Rules and Regulations.
- 11. Upon discontinuance of service, the Company may apply the deposit toward settlement of the customer's bill.

C. GROUNDS FOR REFUSAL OF SERVICE

- The Company may refuse to establish service if any of the following conditions exist:
 - a. The applicant has an outstanding amount due for the same class of utility service with the Company and the applicant is unwilling to make arrangements with the Company for payment.
 - b. A condition exists, or could occur, which in the Company's judgment is unsafe or hazardous to the applicant, the general population, or the Company's personnel or facilities.
 - c. Refusal by the applicant to provide the Company with a deposit.

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RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

- d. Customer is known to be in violation of the Company's tariffs filed with the Commission or of the Commission's Rules and Regulations.
- e. Failure of the customer to furnish such funds, service, equipment, and/or rights-of-way necessary to serve the customer and which have been specified by the Company as a condition for providing service.
- f. Applicant falsifies his or her identity for the purpose of obtaining service.

D. SERVICE ESTABLISHMENTS, REESTABLISHMENTS, OR RECONNECTION CHARGE:

- 1. The Company may make a charge as periodically filed with the Commission for establishment, reestablishment, reconnection or disconnection of utility services.
- 2. Should service be established or disconnected during a period other than regular working hours at the customer's request or cause, the customer may be required to pay an after hours charge. Where the Company's scheduling will not permit the requested service on the same day requested, the customer can elect to pay the after hours charge for the service that day.
- 3. For purposes of this tariff, service establishments are where the customer's facilities are ready and acceptable to the Company and the Company needs only to install a meter, read a meter, or turn the service on.

E. TEMPORARY SERVICE

- 1. Applicants for temporary service may be required to pay the Company, in advance of service establishment, the estimated cost of installing and removing the facilities necessary for furnishing the desired service.
- 2. Where the duration of service is to be less than one month, the applicant may also be required to advance a sum of money equal to the estimated bill for service.
- 3. Where the duration of service is to exceed one month, the applicant may also be required to meet the deposit requirements of this District.
- 4. If at any time during the term of the agreement for service the character of a temporary customer's operations changes so that in the opinion of the Company the customer is classified as permanent, the terms of this District's main extension rules shall apply'

F. DOUBTFUL PERMANENCY

When in the Company's opinion, the permanent nature of the customer's requirement for water service is doubtful, the customer shall be required to enter into an agreement with the Company and shall advance the entire cost of construction, including the mains and associated equipment. The agreement shall include provisions for refund upon proof of permanency to the satisfaction of the Company.

ISSUED:

September 15, 2015 Month Day Year

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RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

G. SERVICE LOCATION, INFORMATION

The Company reserves the right to determine the conditions under which extension will be made. Conditions for service and extending service to the customer will be based upon the following:

- a. All such installations-shall be in accordance with the Company's specifications and located at an outdoor location accessible to the Company.
- b. Individual customers may be required to have their property corner pins and/or markers installed.
- c. Where the installation requires more than one meter for service to the premises, each meter pit or box shall be permanently marked (not painted) by the contractor or customer to properly identify the portion of the premises having service. The identification shall be the same as the apartment, office, etc. served by that meter. The identifying marking placed on each meter shall be impressed into or rose from a tag of aluminum, brass or other approved non-ferrous metal with maximum 1/4-inch-high letters. This tag must be attached to the meter pit or box. The impression must be deep enough to prevent the identification(s) from being obscured.

H. **IDENTIFICATION OF PREMISES**

The premises to be served by the Company shall be clearly identified by the customer at the time of application. If the service address is not recognized in terms of a commonly used identification system, the customer may be required to provide specific written directions and/or legal descriptions before the Company shall be required to act upon a request for water service.

1. SERVICE CALLS FOR ESTABLISHMENTS DURING REGULAR HOURS

The customer for establishment of service by this District shall pay a minimum service charge of \$30.00. In addition, the Company may charge the customer for time, materials and equipment used by the Company if the establishment of service requires repairs or alterations to the Company facilities as a result of the following:

- 1. An interruption caused by the customer's willful act or omission, negligence or failure of customer-owned equipment, even though the Company is unable to perform any work beyond the Point of Delivery.
- 2. A required reconnection of water service to any customer previously disconnected for nonpayment.
- 3. Unlawful use of service, misrepresentation to the Company, unsafe conditions, threats to Company personnel or property, failure to permit safe access, detrimental effect of customer demands on the Company system, failure to establish credit and/or sign an agreement for service, or any other reason authorizing the Company to make connection.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015 Month Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027

Decision No. 75268

RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

J. SERVICE CALLS FOR ESTABLISHMENTS AFTER REGULAR HOURS

A minimum service charge of \$40.00 will be imposed for a service call after regular hours. In addition, the Company may charge the, customer for time, materials and equipment used by the Company if the establishment of service requires repairs or alterations to the Company facilities as a result of the following:

- 1. An interruption caused by the customer's willful act or omission, negligence or failure of customer-owned equipment, even though the Company is unable to perform any work beyond the Point of Delivery. The Company shall make reasonable effort to advise the customer about the possibility of such charges before the service call starts.
- 2. A required reconnection of water service to any customer previously disconnected for nonpayment.
- 3. Unlawful use of service, misrepresentation to the Company, unsafe conditions, threats to Company personnel or property, failure to permit safe access, detrimental effects of customer demands on the Company system, failure to establish credit and/or sign an agreement for service or any other reason authorizing the Company to make such disconnection. Such work will be performed only when requested and agreed to by the customer.

ISSUED:

<u>September 15, 2015</u>

Month Day Year

EFFECTIVE: September 1, 2015

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 3 MINIMUM CUSTOMER INFORMATION REQUIREMENTS

A. INFORMATION FOR RESIDENTIAL CUSTOMERS

- 1. The Company shall make available upon customer request not later than sixty (60) days from the date of request a concise summary of the rate schedule applied for by the customer. The summary shall include the following:
 - a. Monthly minimum or customer charge, identifying the amount of the charge and the specified amount of usage included in the minimum charge where applicable.
 - b. Rate blocks, where applicable.
 - Any adjustment factor(s) or tax impositions and methods of calculation.
- The Company shall to the extent practical, identify the tariff most advantageous to the customer and notify the customer of such prior to service commencement.
- In addition, the Company shall make available upon customer request not later than sixty (60) days from the date of request a copy of this District's Rules and Regulations governing:
 - a. Deposits
 - Termination of service
 - c. Billing and collection
 - d. Complaint handling
- The Company, upon written request of a customer, shall not, more than once each calendar year; transmit a concise statement of actual consumption by such customer for each billing period during the prior twelve (12) months, unless such data is not reasonably ascertainable.
- 5. The Company shall inform all new customers of their right to obtain the information specified above.

B. INFORMATION REQUIRED DUE TO CHANGES IN TARIFFS

- 1. The Company shall transmit, to affected customers, by the most economic means available, a concise summary of any change in the Company's tariffs affecting those customers.
- 2. This information shall be transmitted to the affected customer within sixty (60) days of the effective date of the change.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

Month Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027

Decision No. 75268

RULE NO. 4 SERVICE CONNECTIONS AND REESTABLISHMENTS

A. PRIORITY AND TIMING OF SERVICE ESTABLISHMENTS

- 1. After an applicant has complied with the Company's application and deposit requirements and has been accepted for service by the Company, the Company shall schedule that customer for service connection and/or establishment.
- 2. Service establishments shall be scheduled for completion within five (5) working days of the date the customer has been accepted for service, except in those instances when the customer requests service establishment beyond the five (5) working day limitation.
- 3. When the Company has made arrangements to meet with a customer for service establishment purposes and the Company or the customer cannot make the appointment during the prearranged time, the Company shall reschedule the service establishment to the satisfaction of both parties.
- 4. The Company shall schedule service establishment appointments within a maximum range of four (4) hours during normal working hours, unless another time frame is mutually acceptable to the Company and its customer.
- 5. Service establishments shall be made only by qualified Company service personnel or persons authorized by the Company.
- 6. For the purpose of this tariff, service establishments are where the customer's facilities are ready and acceptable to the Company and the Company needs only to install or read a meter or turn the service on.

B. **SERVICE LINES**

- 1. An applicant for service shall be responsible for the cost of installing their piping up to the meter (i.e., the "Customer Piping").
- 2. An applicant for service shall pay to the Company as a refundable advance in aid of construction a sum for each meter and service line. Where service is being provided for the first time, the sum paid to the Company shall be per the tariff. Where a second meter and service line for a single lot is requested by a customer, which may be for domestic use, irrigation, or fire protection, Company may charge the actual cost of installing the second meter and service line
- 3. Except where the refundable advances in aid of construction for meters and service lines have been included in refundable advances in aid of construction for main extensions and thus are refundable pursuant to main extension contracts approved by the Commission, each advance in aid of construction for a service line or meter shall be repaid by the Company by an annual credit of one-tenth of the amount received. Said credit to be applied upon the water bill rendered in November of each year until fully paid, for each service line and meter for which the advance was made, and said credit to commence in the month of November for all such advances received during the preceding calendar year.
- 4. Where service is being provided for the first time, the customer shall provide and maintain a private cutoff valve within 18 inches of the meter on the customer's side of the meter, and the Company shall provide a like valve on the Company's side of such meter.

ISSUED:

<u>September 15, 2015</u> Month Day Year

EFFECTIVE: September 1, 2015

Month Day Year

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RULE NO. 4 (Continued) SERVICE CONNECTIONS AND REESTABLISHMENTS

- 5. The Company may install its meter at the property line or, at the Company's option, on the customer's property in a location mutually agreed upon. If on the customer's property, customer shall grant an easement to Company to allow Company to access and maintain the meter and service line.
- 6. Where the meter or service line location on a customer's premises is changed at the request of the customer or due to alterations on the customer's premises, the customer shall provide and install at the customer's expense all Customer Piping. Company may charge the actual cost of removing the meter or service line and may charge the actual cost of installing a new meter or service line.
- 7. The customer's piping must be installed in such a manner as to prevent cross-connection or backflow. Any alteration or repairs done by the customer to the customer's plumbing shall also include bringing the customer's piping up to current Company standards.
- 8. The Company shall retain the right to specify the location and size of any meter setting or service connection.
- C. CUSTOMER PROVIDED EQUIPMENT, SAFETY AND OPERATION

Each customer shall be responsible for maintaining all equipment and facilities used for Company services located on the customer's side of the meter in a safe operating condition.

- D. **EASEMENTS AND RIGHTS-OF-WAY**
 - 1. Each customer shall grant adequate easements and rights-of-way satisfactory to the Company to ensure that customer's proper service connection. Failure on the part of the customer to grant adequate easements and rights-of-way shall be grounds for the Company to refuse service.
 - 2. When the Company discovers that a customer or the customer's agent is performing work or has constructed facilities adjacent to or within an easement or right-of-way and such work, construction, or facility poses a hazard or is in violation of federal, state or local laws, ordinances, statutes, rules or regulations, or significantly interfaces with the Company's access to equipment, the Company shall notify the customer or the customer's agent and shall take whatever actions are necessary to eliminate the hazard, obstruction or violation at the Customer's expense.
 - 3. If it is necessary for the Company to excavate in an easement or right-of-way to extend or repair water facilities. the Company will not be responsible for the cost to replace or repair landscaping, fences, trees, shrubs, structures, etc. Placed within the easement or right-of-way.
 - 4. The Company shall at all times have the right of safe ingress and egress from the customer's premises at all reasonable ours for any purpose reasonably connected with the Company's property used in furnishing service.

ISSUED:

September 15, 2015 Month Day Year

EFFECTIVE: September 1, 2015

Day Year

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 5 MAIN EXTENSION AGREEMENTS

- EXTENSIONS OF MAINS AND SERVICES: ADVANCES IN AID OFCONSTRUCTION GENERAL A. **REQUIREMENTS**
 - 1. The Company will supply service for temporary purposes, provided that the Company has water available in excess of the Company's regular needs, and provided the Company has available material and equipment necessary to supply said service. Each applicant for such service must pay in advance, to the Company, the Company's estimate of the cost of labor and materials, less salvage value on removal, for installing and removing such service.
 - 2. An applicant for the extension of mains shall be required to pay the Company, as a refundable advance in aid of construction, before construction is commenced, the estimated reasonable cost of all mains, distribution lines and service lines, including all valves, fittings, meters, other costs and reasonable overheads.
 - a. Upon request by a potential applicant for a main extension, the Company shall prepare, without charge, a preliminary sketch and rough estimates of the cost of installation to be paid by said applicant.
 - b. Any applicant for a main extension requesting the Company to prepare detailed plans, specifications, or cost estimates may be required to deposit with the Company an amount equal to the estimated cost of preparation. The Company shall, upon request, make available within forty-five (45) days after receipt of the deposit referred to above, such plans, specifications, or cost estimates of the proposed main extension. Where the applicant accepts the plans and the Company proceeds with construction of the extension, the deposit shall be credited to the cost of construction; otherwise the deposit shall be nonrefundable. If the extension is to include over-sizing of facilities to be done at the Company's expense, appropriate details shall be set forth in the plans, specifications and cost estimates.
 - c. In the event that additional facilities are required to provide or sustain pressure, storage, or water supply for the new service or services requested, or for existing customers as a consequence of the extension of service, and the cost of the additional facilities is disproportionate to anticipated revenues to be derived from the future customers, the estimated reasonable cost of such additional facilities may be included in refundable advances in aid of construction to be paid to the Company.
 - 3. Refunds of advances shall be made in accord with the following method: the Company shall each year, pay to the party making an advance under a main extension agreement, or that party's assigns or other successors in interest where the Company has received notice and evidence of such assignment or succession, an amount equal to ten percent (10%) of the total gross annual revenue, less any gross receipts or sales taxes and amounts payable to any municipalities or others for treatment and/or transmission of water from each bonafide customer whose service is connected directly to main or extension lines covered by the main extension agreement. Refunds shall not be made for any period after the expiration of ten (10) years from the date of the advance. Refunds shall be made by the Company on or before the 31st day of August of each year, covering any refunds owing from water revenues received during the preceding July 1st to June 30th period. A balance remaining at the end of the ten-year period shall become non-refundable, and the balance not refunded shall be entered as a contribution in aid of construction in the accounts of the Company.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

Month Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

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RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

- 4. The aggregate refunds shall in no event exceed the total of the refundable advances in aid of construction. No interest shall be paid by the Company on any amount advanced. The Company shall make no refunds from any revenues received from any lines or mains, other than customer service lines, leading up to, or taking off, from the particular main extension covered by the agreement.
- 5. The Company may, upon approval by the Commission, terminate its obligation to refund a percentage of gross revenues from a main extension by accord and satisfaction of its obligations under the main extension agreement.
- 6. All agreements entered into shall be evidenced by a written agreement, and signed by the Company and all parties advancing the funds for advances in aid of construction, or the duly authorized agents of each.
- 7. The size, type and quality of materials and of the system, installed location in the ground, and the manner of installation, shall be specified by the Company, and shall accord with the requirements of the Commission or other public agencies having authority therein. The Company may install main extensions of any diameter meeting the requirements of the Commission or any other public agencies having authority over the construction and operation of the water system.
- 8. All mains, valves, fittings, wells, meters, tanks, and other facilities installed shall be the sole property of the Company, and parties making advances in aid of construction shall have no right, title or interest in any such facilities.
- 9. The Company, upon written request, shall furnish to any party seeking to enter into a main extension agreement a schedule of the proposed reasonable contract price for such extension of mains or other facilities. Such schedules show a breakdown of the contract prices of materials and costs of installation. Different sizes and types of mains shall be separately stated. Valves, meters, and fittings shall be separately stated or listed as a percentage of total cost. All advances shall be made without provision for profit to the Company but shall include reasonable overheads.
- 10. The Company shall schedule, within reason, new requests for main extension agreements and for service under main extension agreements, promptly and in order received.
- 11. If an applicant for service seeking to enter into a main extension agreement deems the contract price or the time of performance to be unreasonable, the applicant may solicit bids from bonded contractors, provided that all bids shall be submitted by the bid date stipulated by the Company. If a lower bid is obtained, or if a bid is obtained at an equal price with a more appropriate time of performance, and if such bid contemplates total conformity with the Company's requirements and specifications, the Company shall be required to meet the terms and conditions of the bid proffered, or to enter into a construction contract with the contractor proffering such bid. A performance bond in the total amount of the contract may be required by the Company from the contractor prior to construction.
- 12. In the case of disagreement or dispute regarding the application of this rule or any of its several provisions, or where the application of this rule works an injustice or undue hardship upon any party or anticipated party to any agreement hereunder, the party aggrieved may refer the matter to the Commission for hearing and decision in accord with the Rules of Practice and Procedure of the Commission.

ISSUED:

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EFFECTIVE: September 1, 2015

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RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

- 13. All agreements shall be filed with and approved by the Utilities Division of the Commission. Where agreements for extension of service are not filed and approved, all advances in aid of construction shall be immediately due and payable to any person making such an advance.
- 14. No extension of facilities shall be made without first having received approval of plans and specifications of such extensions or installations from the Arizona State Department of Health Services. A copy of such written approval shall then be filed with the Utilities Division of the Arizona Corporation Commission.

B. WRITTEN AGREEMENT REQUIREMENTS

- 1. Each main extension agreement shall include the following information:
 - a. Name and address of applicant(s).
 - b. Proposed service address or location.
 - c. Description of requested service.
 - d. Description and map of the requested line extension.
 - e. Itemized cost estimate to include materials, labor and other costs as necessary.
 - f. Payment terms.
 - g. A clear and concise explanation of any refunding provisions, if applicable.
 - h. Company's estimated start date and completion date for construction of the main extension.
- 2. Each applicant shall be provided with a copy of the written main extension agreement.

C. **FINAL COST**

- 1. In the event the Company's actual completed cost is less than the amount advanced by the customer, the Company shall make a refund to the applicant within 30 days after completion of the construction or Company's receipt of invoices related to that construction.
- 2. In the event the Company's actual completed cost is more than the amount advanced by the customer the Company shall notify the applicant and the applicant shall remit additional funds within 30 days of notification of the actual completed cost. Should the applicant fail to remit additional funds, service may be discontinued to the extension until the actual completed cost is paid in full.

D CONSTRUCTION/FACILITIES RELATED INCOME TAXES

- 1. Definitions:
 - "Company" or "utility" refers to the entity authorized to provide public utility service in the geographic area involved.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

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RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

- b. "Rate Basing" The Company pays federal income tax (FIT) and state income tax (SIT), if any, due on the receipt of an Advance in Aid of Construction (AIAC) or a Contribution in Aid of Construction (CIAC) in accordance with the Tax Reform Act of 1986 (TRA-86), as amended. Tax paid is included in the Deferred Income Tax Account and is used in the calculation of rate base. This amount is reduced by the effect of tax depreciation received for AIAC/CIAC plant and tax deductions resulting from refunds of AIAC.
- c. "Full Gross Up" Utility requires contributor/advancer to pay entire FIT/SIT plus a gross-up to reflect the tax on tax resulting from treating effected AIAC/CIAC payments as taxable income.
- 2. For construction or proposed construction which, in the judgment of the Company, will be utilized by ultimate customers of the Company in the near future, the Company shall account for the advances and/or contributions required by this Rule by "Rate Basing" them as defined in Paragraph D.1.b. No additional tax related amount should be required with the AIAC or CIAC.
- 3. For construction or proposed construction costs collected pursuant to tariff provisions, Commission Rules and Regulations, or orders, and which are subject to Paragraph D.4 the Company shall require contributor/advancer to provide funds necessary for Company to pay the state and federal tax obligations associated with the subject construction or proposed construction.
- 4. In the event the Company determines that the required construction, proposed construction or development fall within certain criteria, some of which are set forth below, Company may petition the Commission to authorize it to collect from the contributor/advancer funds sufficient to pay the "Full Gross Up" of the state and federal income taxes as defined in Paragraph D.1.c. Without intending to limit, examples of events which shall cause Company to require contributor/ advancer to advance the taxes as contemplated herein, are as follows:
 - a. The development or build-out of the project is remote or speculative; or
 - b. The size of the development, as compared to the size of the Company's customer base, represents undue risk for the Company; or
 - c. The size of the advance/contribution or its related cost is extraordinarily large relative to the Company's rate base or revenues; or
 - d. The public interest is better served by treating the advance/contribution as other than the "Rate Basing" methodology.

The Company must present sufficient evidence that its request to require "Full Gross Up" of taxes under this paragraph is in the public interest. The Commission may deny, alter, or amend the Company's petition for authorization to require "Full Gross Up".

5. In the event contributor/advancer is required by other tariff, agreement, rule or order to advance Facilities for the subject development, those AIAC/CIAC's shall be subject to the provisions of this Section D.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

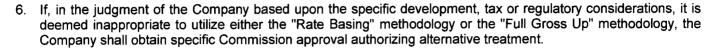
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RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS



7.	Paragraphs 1-7 of this Section of the Extension Rule shall apply to all refundable AIAC and CIAC agreements
	entered into on or after September 1, 1988, as well as to all prior AIAC and CIAC agreements performed in any
	manner after September 1, 1988.

ISSUED:

<u>September 15, 2015</u>

Month Day Year

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

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RULE NO. 6 PROVISION OF SERVICE

A. COMPANY RESPONSIBILITY

- 1. The Company shall be responsible for providing potable water to the customer's Point of Delivery.
- 2. The Company may, at its option, refuse service until the customer has obtained all required permits and/or inspections indicating that the customer's facilities comply with local construction and safety standards.

B. CUSTOMER RESPONSIBILITY

- 1. Each customer shall be responsible for maintaining all facilities on the customer's side of the Point of Delivery in a safe and efficient manner and in accordance with the rules of the Arizona Department of Health Services, and the prescribed specifications of the Company.
- 2. Each customer shall be responsible for safeguarding all Company property installed in or on the customer's premises for the purpose of supplying water to that customer.
- 3. Each customer shall exercise all reasonable care to prevent loss or damage to Company property, excluding ordinary wear and tear. The customer shall be responsible for loss of or damage to Company property on the customer's premises arising from neglect, carelessness, or misuse and shall reimburse the Company for the cost of necessary repairs and replacements.
- 4. Each customer shall be responsible for payment for any equipment damage resulting from unauthorized breaking of seals, interfering, tampering, or bypassing the Company meter.
- 5. The customer shall be responsible for notifying the Company of any failure identified in the Company's equipment.
- 6. Water furnished by this District shall be used only on the customer's premises and shall not be resold to any other person. During critical water conditions, as determined by the Commission, the customer shall use water only for those purposes specified by the Commission. Disregard of this rule shall be sufficient cause for refusal or discontinuance of service.
- 7. The customer agrees, when accepting service, that no one except Company employees or persons authorized by the Company shall be allowed to operate, remove or replace any Company owned equipment installed on customer's property.
- 8. No person, except an employee or persons acting on behalf of the Company shall alter, remove or make any connection to the Company's meter or service equipment.
- 9. No meter seal may be broken or removed by anyone other than an employee or person acting on behalf of the Company. However, the Company may give its prior consent to break the seal by an approved plumber employed by a customer when deemed necessary by the Company.

ISSUED:

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 6 (continued) PROVISION OF SERVICE

- 10. The customer will be held responsible for any broken seals, tampering, or interfering with the Company's meter(s) or any other Company owned equipment installed on the customer's premises. In cases of tampering with meter installations, interfering with the proper working thereof, or any such tampering, interfering, theft, or service diversion, including the falsification of customer's meter readings, that customer shall be subject to immediate discontinuance of service. The Company shall be entitled to collect from the current customer under the appropriate rate, for all consumption not recorded on the meter as the result of such tampering, or other theft of service, and also any additional security deposits as well as all expenses incurred by the Company for property damages, investigation of the illegal act, and all legal expenses and court costs, if necessary.
- 11. The customer will be held liable for any loss or damage occasioned or caused by the customer's negligence, want of proper care or wrongful act or omission on the part of any customer's agents, employees, licenses, or contractors.

C. CONTINUITY OF SERVICE

The Company shall make reasonable efforts to supply a satisfactory and continuous level of service. However, the Company shall not be responsible for any damage or claim of damage attributable to any interruption or discontinuation of service resulting from:

- a. Any cause against which the Company could not have reasonably for seen or made provision for, i.e., force majeure.
- b. Intentional service interruptions to make repairs or perform routine maintenance.
- c. Curtailment

D. SERVICE INTERRUPTIONS

- 1. The Company shall make reasonable efforts to reestablish service within the shortest possible time when service interruptions occur.
- 2. The Company shall make reasonable provision to meet emergencies resulting from failure of service, and shall issue instructions to its employees covering procedures to be followed in the event of emergency in order to prevent or mitigate interruption or impairment of service.
- 3. In the event of a national emergency or local disaster resulting in disruption of normal service, the Company may, in the public interest, interrupt service to other customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.
- 4. When the Company plans to interrupt service for more than four (4) hours to perform necessary repairs or maintenance the Company shall attempt to inform affected customers at least twenty-four (24) hours in advance of the scheduled date and estimated duration of the service interruption. Such repairs shall be completed in the shortest possible time to minimize the inconvenience to the customers.

ISSUED:

September 15, 2015

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EFFECTIVE: September 1, 2015

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RULE NO. 6 (continued) PROVISION OF SERVICE

5. The Commission shall be notified of interruptions in service affecting the entire system or any major division thereof. The interruption of service and cause shall be reported within four (4) hours after the responsible representative of the Company becomes aware of said interruption, by telephone to the Commission, and followed by a written report to the Commission.

E. MINIMUM DELIVERY PRESSURE

The Company shall maintain a minimum standard delivery pressure of 20 pounds per square inch gauge (PSIG) at the customer's meter or Point of Delivery.

F. **CONSTRUCTION STANDARDS**

The Company shall construct or cause to be constructed all facilities in accordance with the guidelines established by the Arizona Department of Environmental Quality or its successors, delegate or any other governmental agency having jurisdiction thereof, and the Company. Phased construction is acceptable.

G. **ELECTION OF RATE SCHEDULES**

The Company shall use its best efforts to select the most favorable rate for which the customer is eligible based on available data at the time of application. The Company shall use its best efforts for notifying the customer of the most favorable rate schedule if the class has changed after initial application, and shall not be required to refund the difference in charge under different rate schedules. Upon written application of any material changes in the customer installation, the Company will assist in determining if a change in rate schedule is desirable.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

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RULE NO. 7 METER READING

A. **FREQUENCY**

Each meter shall be read monthly or as close to the same day of each month as practicable unless otherwise approved by the Commission.

MEASURING OF SERVICE B.

- 1. All water delivered by the Company shall be billed upon the basis of metered volume sales, except that the Company may, at its option, provide a fixed charge for the following:
 - a. Temporary service where the water use can be readily estimated.
 - b. Public and private fire protection service.
 - c. Water used for street sprinkling and sewer flushing, when provided for by contract between the Company and the municipality or other local governmental authority.
 - d. Other fixed charge schedules as shall be submitted to and approved by the Commission.
- 2. When there is more than one meter at a location, the metering equipment shall be so tagged or plainly marked as to indicate tie facilities being metered.

C. **CUSTOMER REQUESTED REREADS**

- 1. The Company shall at the request of the customer reread the customer's meter within ten (10) working days after such request by the customer.
- 2. Any rereads shall be charged to the customer at the rate on file and approved by the Commission, provided that the original reading was not in error. Adjustment for reasonable usage since the original reading was taken shall be considered when determining the original reading.
- 3. When the original reading is found to be in error, the re read shall be at no charge to the customer, given adjustment for reasonable usage since the original reading was taken.

D. ACCESS TO CUSTOMER PREMISES

The Company shall at all times have the right of safe ingress to and egress from the customer's premises at all reasonable hours for any purpose reasonably connected with the Company's property used in furnishing service and the exercise of any and all rights secured to it by law or these rules.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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RULE NO. 7 (continued) METER READING

- E. METER TESTING AND MAINTENANCE PROGRAM.
 - 1. The Company shall establish a regular program of meter testing taking into account the following factors:
 - a. Size of meter
 - Age of meter
 - Consumption
 - Characteristics of water
- F. **CUSTOMER REQUESTED METER TESTS**

The Company shall test a meter upon customer request, and shall be authorized to charge the customer for such meter test according to the tariff on file and approved by the Commission. However, if the meter is found to over register by more than three percent (3%), no meter-testing fee will be charged to the customer.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 8 BILLING AND COLLECTION

FREQUENCY AND ESTIMATED BILLS A.

- 1. The Company shall bill monthly for services rendered. Meter readings shall be scheduled for periods of not less than twenty-five (25) days or more than thirty-five (35) days, unless otherwise approved by the Commission.
- 2. If the Company is unable to read the meter on a scheduled meter read date, it will estimate the consumption for the billing period giving consideration to the following factors when applicable:
 - a. The customer's usage during the same month of the previous year.
 - b. The amount of usage during the preceding month.
- 3. After the second consecutive month of estimating the customer's bill for reasons other than severe weather or standard billing practice as approved by the Commission, the Company will attempt to secure an accurate reading of the meter.
- 4. Failure on the part of the customer to comply with a reasonable request by the Company for access to its meter may lead to the termination of service.
- 5. Estimated bills will be issued only under the following conditions:
 - a. Failure of a customer who reads his own meter to deliver his meter reading card to the Company in accordance with the requirements of the Company's billing cycle.
 - b. Severe weather conditions that prevent the Company from reading the meter.
 - c. Circumstances that make it dangerous or impossible to read the meter, i.e., locked gates, blocked meters, vicious or dangerous animals, etc.
 - d. Other billing cycles as approved by the Commission.
- 6. Each bill based on estimated usage will indicate that it is an estimated bill.

B. COMBINING METERS, MINIMUM BILL INFORMATION

- 1. Each meter at a customer's premises will be considered separately for billing purposes, and the readings of two or more meters will not be combined.
- Each bill for residential service will contain the following minimum information:
 - Date and meter reading at the end of the actual or estimated billing period.
 - b. Previous month's actual or estimated meter reading and date.

ISSUED:

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EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 8 (continued) BILLING AND COLLECTION

- Billing usage.
- Company telephone number.
- e. Customer's name.
- Service account number.
- g. Amount due and terms of payment.
- h. Past due amount where appropriate.
- Adjustment factor, where applicable.
- Privilege, sales or use tax, or any regulatory assessment applicable.
- Other approved tariff charges.

C. **BILLING TERMS**

- 1. All bills for services are due and payable when rendered. All bills not paid within fifteen (15) days shall be considered delinquent.
- 2. For purposes of this rule, the date a bill is rendered may be evidenced by:
 - a. The postmark date.
 - b. The mailing date.
- 3. All delinquent bills shall be subject to the provisions of the Company's termination procedures.
- 4. All payments shall be made at offices of the Company or designated payment stations, or to the address shown on the bill form.
- D. APPLICABLE TARIFFS, PREPAYMENT, FAILURE TO RECEIVE, COMMENCEMENT DATE, TAXES
 - 1. Each customer shall be billed under the applicable tariff indicated in the customer's application for service.
 - 2. The Company shall make provisions for advance payment for services.
 - 3. Failure to receive bills or notices that have been properly placed in the United States mail shall not prevent such bills from becoming delinquent nor relieve the customer of his obligations therein.
 - 4. Charges for service commence when the service is installed and connection made, whether used or not.

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

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RULE NO. 8 (continued) **BILLING AND COLLECTION**

5. In addition to the collection of regular rates, the Company may collect from its customers a proportionate share of any privilege, sales or use tax, or other imposts based on the gross revenues received by the Company.

E. METER ERROR CORRECTIONS

- 1. If any meter after testing is found to be more than three percent (3%) in error, either fast or slow, proper correction between three percent (3%) and the amount of the error shall be made of previous readings, and adjusted bills shall be rendered according to the following terms:
 - a. For the period of three (3) months immediately preceding the removal of such meter from service for test or from the time the meter was in service since last tested, but not exceeding three (3) months since the meter shall have been shown to be in error by such test, or
 - From the date the error occurred, if the date of the cause can be definitely fixed.
- The Company will make no adjustment, except to the customer last served by the meter tested.

F. INSUFFICIENT FUNDS (NSF) CHECKS

- 1. The Company shall be allowed to recover a fee, as approved by the Commission for each instance where the customer tenders payment for service with an insufficient funds check, and require a security deposit equal to that prescribed in Section B. provision 7 of Rule No. 2.
- 2. When the Company is notified by the customer's bank that there are insufficient funds to cover the check tendered for service, the Company may require the customer to make payment in cash, money order, certified check, or other means which guarantee the customer's payment to the Company.
- 3. A customer who tenders an insufficient funds check shall in no way be relieved of the obligation to render payment to the Company under the original terms of the bill nor defer the Company's provision for termination of service for nonpayment of bills.
- 4. The Company will not accept personal checks if two (2) NSF checks have been received within a twelve-month period in payment of any billing.

G. DEFERRED PAYMENT PLAN

- 1. The Company may, prior to termination, offer to qualifying residential customers a deferred payment plan for the customer to retire unpaid bills for service.
- Each deferred payment agreement, entered into in writing by the customer and the Company, due to the customer's inability to pay an outstanding bill in full shall provide that service will not be discontinued if:
 - a. Customer agrees to pay a reasonable amount of the outstanding bill at the time the parties enter into the deferred payment plan.

ISSUED:

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RULE NO. 8 (continued) BILLING AND COLLECTION

- b. Customer agrees to pay all future bills for service in accordance with the billing and collection tariffs of the Company.
- c. Customer agrees to pay a reasonable portion of the remaining outstanding balance in installments over a period not to exceed six (6) months.
- 3. For the purpose of determining a reasonable installment payment schedule under these rules, the Company and the customer shall give consideration to the following conditions:
 - a. Size of the delinquent account.
 - b. Customer's ability to pay.
 - c. Customer's payment history.
 - d. Length of time that the debt has been outstanding.
 - e. Circumstances that resulted in the debt being outstanding.
 - Any other relevant factors related to the circumstances of the customer.
- 4. Any customer who desires to enter into a deferred payment agreement shall establish such agreement prior to the Company's scheduled termination date for nonpayment of bills. A customers' failure to execute a deferred payment agreement prior to the scheduled termination date shall not prevent the Company from terminating service for nonpayment.
- 5. Deferred payment agreements shall be in writing and signed by the customer and an authorized Company representative
- 6. A deferred payment agreement may include a finance charge as approved by the Commission in a tariff proceeding.
- 7. If a customer has not fulfilled the terms of a deferred payment agreement, the Company shall have the right to disconnect service pursuant to this District's termination of service rules-and, under such circumstances, it shall not be required to offer subsequent negotiation of a deferred payment agreement prior to termination.

H. LATE PAYMENT PENALTY

- 1. The Company may include in its tariffs a late payment penalty that may be applied to delinquent bills.
- 2. The amount of the late payment penalty shall be indicated upon the customer's bill when rendered by the Company.
- 3. In the absence of an approved tariff, the amount of the late payment penalty shall not exceed 1 ½% per month of the delinquent bill, applied on a monthly basis.

ISSUED:

September 15, 2015

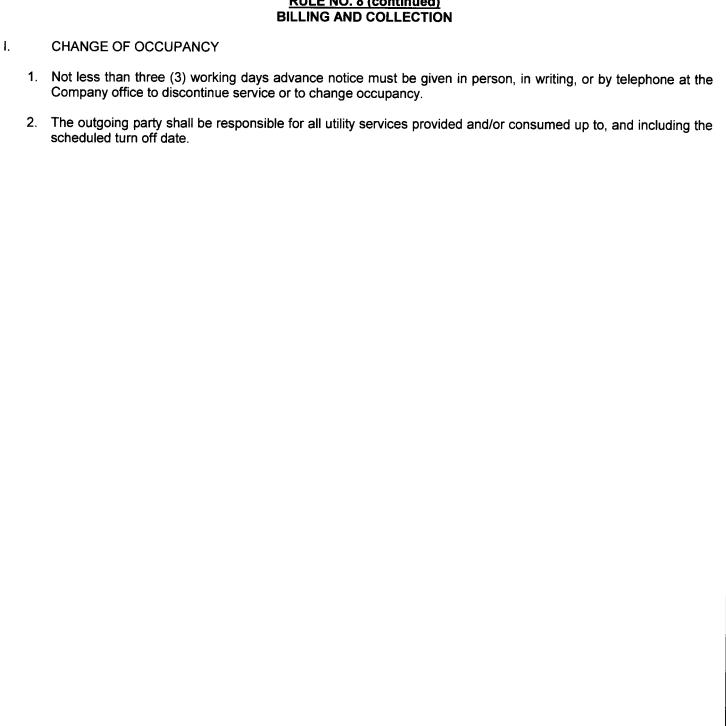
EFFECTIVE: September 1, 2015

Month Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

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RULE NO. 8 (continued)



ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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RULE NO.9 TERMINATION OF SERVICE

NONPERMISSIBLE TERMINATION OF SERVICE A.

The Company may not disconnect service for any of the reasons stated below:

- a. Delinquency in payment for services rendered to a prior customer at the premises where service is being provided, except in the instance where the prior customer continues to reside on the premises.
- b. Failure of the customer to pay for services or equipment not regulated by the Commission.
- c. Nonpayment of a bill related to another class of water service.
- d. Failure to pay for a bill to correct a previous under billing due to a billing error, inaccurate meter reading or meter failure, if the customer and Company agree in writing to payment terms over a reasonable period of time.
- e. Disputed bills where the customer has complied with the Commission's rules and regulations.

B. TERMINATION OF SERVICE WITHOUT NOTICE

- 1. Company service may be disconnected without advance written notice under the following conditions:
 - a. The existence of an obvious hazard to the safety or health of the consumer, the general population, Company personnel or facilities.
 - b. The Company has evidence of meter fraud.
 - c. Unauthorized resale or use of utility services.
 - d. Failure of a customer to comply with the curtailment of procedures imposed by a utility during supply shortages.
- 2. The Company shall not be required to restore service until the conditions that resulted in the termination have been corrected to the satisfaction of the Company.
- 3. The Company shall maintain a record of all terminations of service without notice. This record shall be maintained for a minimum of one (1) year and shall be available for inspection by the Commission.

C. TERMINATION OF SERVICE WITH NOTICE

- 1. The Company may disconnect service to any customer for any reason stated below, provided the Company has met the notice requirements established by the Commission.
 - a. Customer violation of any of the Company's tariffs filed with the Commission and/or violation of the Commission's rules and regulations.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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RULE NO. 9 (continued) TERMINATION OF SERVICE

- b. Failure of the customer to pay a delinquent bill for water service.
- c. Failure to meet or maintain the Company's credit and deposit requirements.
- d. Failure of the customer to provide the Company reasonable access to its equipment and property.
- e. Customer breach of a written contract for service between the Company and customer.
- When necessary for the Company to comply with an order of any governmental agency having such jurisdiction.
- a. The Company may terminate water service to effect sewer service termination when it provides both services to the same customer upon the same premises.
- The Company shall maintain a record of all terminations of service with notice. This record shall be maintained for one (1) year and be available for Commission inspection.

D. TERMINATION NOTICE REQUIREMENTS

- 1. The Company shall not terminate service to any of its customers without providing advance written notice to the customer of the Company's intent to disconnect service, except under those conditions specified where advance written notice is not required.
- Such advance written notice shall contain, at a minimum, the following information:
 - a. The name of the person whose service is to be terminated and the address where service is being rendered.
 - b. The Commission rule or regulation that was violated and explanation thereof or the amount of the bill which the customer has failed to pay in accordance with the payment policy of this District, if applicable.
 - c. The date on or after which service may be terminated.
 - d. A statement advising the customer to contact the Company at a specific address or phone number for information regarding any deferred payment or other procedures which the Company may offer or to work out some other mutually agreeable solution to avoid termination of the customer's service.
 - e. A statement advising the customer that the Company's stated reason for the termination of service may be disputed by contacting the Company at a specified address and phone number, advising the Company of the dispute and making arrangements to discuss the cause for termination with a reasonable employee of the Company in advance of the scheduled date of termination. The responsible employee shall be empowered to resolve the dispute and the Company shall retain the option to terminate service after affording this opportunity for a meeting and concluding that the reason for termination is just and advising the customer of his right to file a complaint with the Commission.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015 Day Year

Month Day Year ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Suite 300, Phoenix, AZ 85027

RULE NO. 9 (continued) TERMINATION OF SERVICE

E. TIMING OF TERMINATION WITH NOTICE

- 1. The Company shall be required to give at least ten (10) days advance notice prior to termination date.
- 2. Such notice shall be considered to be given to the customer when a copy thereof is left with the customer or posted first class in the United States mail, addressed to the customer's last known address.
- 3. If after the period of time allowed by the notice has elapsed and the delinquent account has not been paid nor arrangements made with the Company for the payment thereof or in the case of a violation of the Company's rules the customer has not satisfied the Company that such violation has ceased, the Company may then terminate service on or after the day specified in the notice without giving further notice.
- 4. An authorized representative of the Company may only disconnect Service in conjunction with a personal visit to the premises.
- The Company shall have the right (but not the obligation) to remove any or all of its property installed on the customer's premises upon the termination of service.

F. LANDLORD/TENANT RULE

- 1. In situations where service is rendered at an address different from the mailing address of the bill or where the Company knows that a landlord/tenant relationship exists and that the landlord is a customer of the Company. and where the landlord as customer would otherwise be subject to disconnection of service, the Company may not disconnect service until the following actions have been taken:
 - a. Where it is feasible to so provide service, the Company, after providing notice as required in these rules, shall offer the occupant the opportunity to subscribe for service in his or her own name. If the occupant then declines to so subscribe, the Company may disconnect service pursuant to the rules.
 - b. The Company shall not attempt to recover from a tenant or condition service to a tenant with the payment of any outstanding bills or other charge due upon the outstanding account of the landlord.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

Month Day Year

Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 10 ADMINISTRATIVE AND HEARING REQUIREMENTS

CUSTOMER SERVICE COMPLAINTS A.

- 1. The Company shall make full and prompt investigation of all service complaints made by its customers, either directly or through the Commission.
- 2. The Company shall respond to the complaint and/or the Commission representative within five (5) working days as to the status of the Company investigation of the complaint.
- 3. The Company shall notify the complainant and/or the Commission representative of the final disposition of each complaint. Upon request of the complainant or the Commission representative, the Company shall report the findings of its investigation in writing.
- 4. The Company shall inform the customer of his right of appeal to the Commission should the results of the Company's investigation prove unsatisfactory to the customer.
- The Company shall keep a record of all written service complaints received which shall contain, at a minimum, the following data:
 - a. Name and address of complainant.
 - b. Date and nature of complaint.
 - Disposition of the complaint.
 - d. A copy of any correspondence between the Company, the customer, and/or the Commission.

This record shall be maintained for a minimum period of one (1) year and shall be available for inspection by the Commission.

ISSUED:

September 15, 2015 Month Day Year

EFFECTIVE: September 1, 2015

Month

Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Tubac Water Tariff

ACC No. 34

Tubac Water District (Name of Service Area)

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Rules and Regulations	ACC No. 1 Thru

GENERAL WATER RATE

Availability

Available for residential and commercial establishments served by Tubac Water District.

Schedule of Charges

Phase 1 (Effective September 1, 2015 through August 31, 2016)

		Tie	r One	Tie	er Two	Tier	Three	Tier	Four	
Meter Sizes	Service R Charge (per	Commodity Rate (per 1,000 gallons)	Rate First Tie (per 1,000 (gallon:	First Tier	Commodity Rate (per 1,000 gallons)	Second Tier (gallons)	Commodity Rate (per 1,000 gallons)	Third Tier (gallons)	Commodity Rate (per 1,000 gallons)	Fourth Tier (gallons)
Residential										
5/8-inch Low Income *	\$ 18.85	\$2.74	0 – 3,000	\$4.55	3,001-10,000	\$5.44	10,001-20,000	\$6.7903	Over 20,000	
5/8-inch	\$ 31.42	\$2.74	0 - 3,000	\$4.55	3,001-10,000	\$5.44	10,001-20,000	\$6.7903	Over 20,000	
3/4-inch	\$ 34.63	\$2.74	0 - 3,000	\$4.55	3,001-10,000	\$5.44	10,001-20,000	\$6.7903	Over 20,000	
1-inch	\$ 78.67	\$5.44	0 - 60,000	\$6.7903	Over 60,000					
1.5-inch	\$ 157.07	\$5.44	0 - 120,000	\$6.7903	Over 120,000					
2-inch	\$ 251.31	\$5.44	0 - 180,000	\$6.7903	Over 180,000					
3-inch	\$ 502.63	\$5.44	0 - 390,000	\$6.7903	Over 390,000					
4-inch	\$ 785.36	\$5.44	0 - 575,000	\$6.7903	Over 575,000					
6-inch	\$ 1,570.97	\$5.44	0 - 1,200,000	\$6.7903	Over 1,200,000					
8-inch	\$ 2,513.42	\$5.44	0 - 1,800,000	\$6.7903	Over 1,800,000					
10-inch	\$ 3,613.18	\$5.44	0 - 2,500,000	\$6.7903	Over 2,500,000					
12-inch	\$ 6,754.88	\$5.44	0 - 5,000,000	\$6.7903	Over 5,000,000					
Commercial										
5/8-inch	\$ 31.42	\$2.74	0 - 3,000	\$4.55	3,001-10,000	\$5.44	10,001-20,000	\$6.7903	Over 20,000	
3/4-inch	\$ 34.63	\$2.74	0 - 3,000	\$4.55	3,001-10,000	\$5.44	10,001-20,000	\$6.7903	Over 20,000	
1-inch	\$ 78.67	\$5.44	0 - 60,000	\$6.7903	Over 60,000					
1.5-inch	\$ 157.07	\$5.44	0 - 120,000	\$6.7903	Over 120,000					
2-inch	\$ 251.31	\$5.44	0 - 180,000	\$6.7903	Over 180,000					
3-inch	\$ 502.63	\$5.44	0 - 390,000	\$6.7903	Over 390,000					
4-inch	\$ 785.36	\$5.44	0 – 575,000	\$6.7903	Over 575,000					
6-inch	\$ 1,570.97	\$5.44	0 - 1,200,000	\$6.7903	Over 1,200,000					
8-inch	\$ 2,513.42	\$5.44	0 - 1,800,000	\$6.7903	Over 1,800,000					
10-inch	\$ 3,613.18	\$5.44	0 - 2,500,000	\$6.7903	Over 2,500,000					
12-inch	\$ 6,754.88	\$5.44	0 - 5.000.000	\$6.7903	Over 5,000,000			I	I	

Note: * Low Income Program details are noted in the Terms and Conditions section for General Water Rates. Upper tier rate for residential and commercial customers is comprised of the \$6.24 approved rate plus \$0.5503 for the Low Income Surcharge for a total of \$6.7903.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

ISSUED BY:

Month Day Year Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

GENERAL WATER RATE

(continued)

Phase 2 (Effective September 1, 2016 through August 31, 2017)

		Tie	r One	Tie	er Two	Tie	Three	Tier	Four
Meter Sizes	Basic Service Charge	Commodity Rate (per 1,000 gallons)	First Tier (gallons)	Commodity Rate (per 1,000 gallons)	Second Tier (gallons)	Commodity Rate (per 1,000 gallons)	Third Tier (gallons)	Commodity Rate (per 1,000 gallons)	Fourth Tier (gallons)
Residential		***							<u> </u>
5/8-inch Low Income *	\$ 21.23	\$3.08	0 – 3,000	\$5.12	3,001-10,000	\$6.13	10,001-20,000	\$7.5803	Over 20,000
5/8-inch	\$ 35.38	\$3.08	0 - 3,000	\$5.12	3,001-10,000	\$6.13	10,001-20,000	\$7.5803	Over 20,000
3/4-inch	\$ 38.98	\$3.08	0 - 3,000	\$5.12	3,001-10,000	\$6.13	10,001-20,000	\$7.5803	Over 20,000
1-inch	\$ 88.56	\$6.13	0 - 60,000	\$7.5803	Over 60,000				
1.5-inch	\$ 176.86	\$6.13	0 - 120,000	\$7,5803	Over 120,000	· · · · · · · · · · · · · · · · · · ·			
2-inch	\$ 282.98	\$6.13	0 180,000	\$7.5803	Over 180,000				
3-inch	\$ 565.97	\$6.13	0 - 390,000	\$7.5803	Over 390,000				
4-inch	\$ 884.33	\$6.13	0 - 575,000	\$7.5803	Over 575,000				
6-inch	\$ 1,768.91	\$6.13	0 - 1,200,000	\$7.5803	Over 1,200,000				
8-inch	\$ 2,830.11	\$6.13	0 - 1,800,000	\$7.5803	Over 1,800,000				
10-inch	\$ 4,068.43	\$6.13	0 - 2,500,000	\$7.5803	Over 2,500,000				
12-inch	\$ 7,606.00	\$6.13	0 – 5,000,000	\$7.5803	Over 5,000,000				
Commercial				· · · · · · · · · · · · · · · · · · ·		-			
5/8-inch	\$ 35.38	\$3.08	0 – 3,000	\$5.12	3,001-10,000	\$6.13	10,001-20,000	\$7.5803	Over 20,000
3/4-inch	\$ 38.98	\$3.08	0 - 3,000	\$5.12	3.001-10,000	\$6.13	10,001-20,000	\$7.5803	Over 20,000
1-inch	\$ 88.56	\$6.13	0 - 60,000	\$7,5803	Over 60,000	\$0.10	.5,55 1 25,550	Ψ1.0000	C VC: 20,000
1.5-inch	\$ 176.86	\$6.13	0 - 120,000	\$7.5803	Over 120,000				
2-inch	\$ 282.98	\$6.13	0 - 180,000	\$7,5803	Over 180,000				
3-inch	\$ 565.97	\$6.13	0 - 390,000	\$7,5803	Over 390,000				
4-inch	\$ 884.33	\$6.13	0 - 575,000	\$7.5803	Over 575,000				
6-inch	\$ 1,768.91	\$6.13	0 - 1,200,000	\$7.5803	Over 1,200,000				*
8-inch	\$ 2,830.11	\$6.13	0 - 1,800,000	\$7.5803	Over 1,800,000				
10-inch	\$ 4,068.43	\$6.13	0 - 2,500,000	\$7.5803	Over 2,500,000				
12-inch	\$ 7,606.00	\$6.13	0 - 5,000,000	\$7,5803	Over 5,000,000				

Note: * Low Income Program details are noted in the Terms and Conditions section for General Water Rates. Upper tier rate for residential and commercial customers is comprised of the \$7.03 approved rate plus \$0.5503 for the Low Income Surcharge for a total of \$7.5803. The surcharge will be added to the highest block commodity rate (residential, apartment, individual and commercial customers only), and will change upon the Company's annual reconciliation number of participants and top tier usage.

> ISSUED: <u>September 15, 2015</u>

EFFECTIVE: September 1, 2015

ISSUED BY:

Month Day Year Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

GENERAL WATER RATE

(continued)

Phase 3 (Effective September 1, 2017 through August 31, 2018)

		Tie	r One	Tie	er Two	Tie	Three	Tier	Four
Meter Sizes	Basic Service Charge	Commodity Rate (per 1,000 gallons)	First Tier (gallons)	Commodity Rate (per 1,000 gallons)	Second Tier (gallons)	Commodity Rate (per 1,000 gallons)	Third Tier (gallons)	Commodity Rate (per 1,000 gallons)	Fourth Tier (gallons)
Residential									
5/8-inch Low Income *	\$ 23.62	\$3.43	0 – 3,000	\$5.70	3,001-10,000	\$6.82	10,001-20,000	\$8.3703	Over 20,000
5/8-inch	\$ 39.37	\$3.43	0 - 3,000	\$5.70	3,001-10,000	\$6.82	10,001-20,000	\$8.3703	Over 20,000
3/4-inch	\$ 43.38	\$3.43	0 - 3,000	\$5.70	3,001-10,000	\$6.82	10,001-20,000	\$8.3703	Over 20,000
1-inch	\$ 98.56	\$6.82	0 - 60,000	\$8.3703	Over 60,000		,	40.07.00	OVC: 20,000
1.5-inch	\$ 196.85	\$6.82	0 - 120,000	\$8.3703	Over 120,000				
2-inch	\$ 314.97	\$6.82	0 - 180,000	\$8.3703	Over 180,000				
3-inch	\$ 629.93	\$6.82	0 – 390,000	\$8.3703	Over 390,000				
4-inch	\$ 984.27	\$6.82	0 - 575,000	\$8.3703	Over 575,000				
6-inch	\$ 1,968.79	\$6.82	0 - 1,200,000	\$8.3703	Over 1,200,000			-	
8-inch	\$ 3,149.92	\$6.82	0 - 1,800,000	\$8.3703	Over 1,800,000				
10-inch	\$ 4,528.16	\$6.82	0 - 2,500,000	\$8.3703	Over 2,500,000				
12-inch	\$ 8,465.50	\$6.82	0 - 5,000,000	\$8.3703	Over 5,000,000				
Commercial									
5/8-inch	\$ 39.37	\$3,43	0 – 3,000	\$5.70	3,001-10,000	\$6.82	10,001-20,000	\$8.3703	000.000
3/4-inch	\$ 43.38	\$3.43	0 - 3,000	\$5.70	3,001-10,000	\$6.82	10,001-20,000	\$8.3703	Over 20,000
1-inch	\$ 98.56	\$6.82	0 - 60,000	\$8.3703	Over 60,000	\$0.02	10,001-20,000	φο.3/U3	Over 20,000
1.5-inch	\$ 196.85	\$6.82	0 – 120,000	\$8.3703	Over 120,000				
2-inch	\$ 314.97	\$6.82	0 - 180,000	\$8.3703	Over 180,000		·	~ .	
3-inch	\$ 629.93	\$6.82	0 - 390,000	\$8,3703	Over 390,000				
4-inch	\$ 984.27	\$6.82	0 - 575,000	\$8.3703	Over 575,000				
6-inch	\$ 1,968.79	\$6.82	0 - 1,200,000	\$8.3703	Over 1,200,000		·		
8-inch	\$ 3,149.92	\$6.82	0 - 1,800,000	\$8.3703	Over 1,800,000				
10-inch	\$ 4,528.16	\$6.82	0 - 2,500,000	\$8.3703	Over 2,500,000				
12-inch	\$ 8,465.50	\$6.82	0 - 5,000,000	\$8.3703	Over 5,000,000				

Low Income Surcharge*

\$0.5503

Note: * Low Income Program details are noted in the Terms and Conditions section for General Water Rates. Upper tier rate for residential and commercial customers is comprised of the \$7.82 approved rate plus \$0.5503 for the Low Income Surcharge for a total of \$8.3703. The surcharge will be added to the highest block commodity rate (residential, apartment, individual and commercial customers only), and will change upon the Company's annual reconciliation number of participants and top tier usage.

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE: September 1, 2015

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

GENERAL WATER RATE

(continued)

In addition to the Schedule of Charges on SHEET 1, SHEET 1.1, and SHEET 1.2, the Arsenic Media Surcharge will be added as follows for a period of 36 months:

		Tier	One	Tie	r Two	Tier	Three	Tier	Four
Meter Sizes	Basic Service Charge	Commodity Rate (per 1,000 gallons)	First Tier (gallons)	Commodity Rate (per 1,000 gallons)	Second Tier (gallons)	Commodity Rate (per 1,000 gallons)	Third Tier (gallons)	Commodity Rate (per 1,000 gallons)	Fourth Tier (gallons)
Residential								<u>† </u>	
5/8-inch Low Income *	\$ 1.77	\$0.23	Infinite						
5/8-inch	\$ 1.77	\$0.23	Infinite					1	
3/4-inch	\$ 2.66	\$0.23	Infinite						
1-inch	\$ 4.43	\$0.23	Infinite						
1.5-inch	\$ 8.85	\$0.23	Infinite						
2-inch	\$ 14.16	\$0.23	Infinite						
3-inch	\$ 28.32	\$0.23	Infinite						
4-inch	\$ 44.25	\$0.23	Infinite						
6-inch	\$ 88.50	\$0.23	Infinite						
8-inch	\$ 141.60	\$0.23	Infinite						
10-inch	\$ 203.55	\$0.23	Infinite						
12-inch	\$ 380.55	\$0.23	Infinite						
Commercial			-						
5/8-inch	\$ 1.77	\$0.23	Infinite						
3/4-inch	\$ 2.66	\$0.23	Infinite						
1-inch	\$ 4.43	\$0.23	Infinite						
1.5-inch	\$ 8.85	\$0.23	Infinite						
2-inch	\$ 14.16	\$0.23	Infinite						
3-inch	\$ 28.32	\$0.23	Infinite						
4-inch	\$ 44.25	\$0.23	Infinite						
6-inch	\$ 88.50	\$0.23	Infinite						
8-inch	\$ 141.60	\$0.23	Infinite						
10-inch	\$ 203.55	\$0.23	Infinite						
12-inch	\$ 380.55	\$0.23	Infinite						

(continued on next page)

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015 Month Day Year

ISSUED BY:

Month Day Year Mon Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

GENERAL WATER RATE

(continued)

Terms and Conditions

Water service provided under this rate schedule is subject to the Company's Rules and Regulations applicable to Water Service and may be subject to the Company's Miscellaneous Service Charges set forth in Rate Schedule Service Charges.

Water service under this Schedule is for the exclusive use of the Customer and water shall not be resold or provided to others.

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, use, and franchise tax. Per Commission Rule 14-2-409D(5).

A 11/2% late payment penalty will be applied to account balances not paid within twenty-five (25) days after the postmark date of the bill in accordance with Rule 8 (H) of EPCOR Water Arizona Inc.'s Tubac Water District Rules and Regulations.

Low Income Program - Monthly Low Income Credit of \$19.30 is available in the Tubac Water district bringing the basic service charge down from \$48.24 to \$28.94. Requires the completion of a Low Income Program Application. Program is restricted to the first 1,000 eligible residential customers on 5/8 x 3/4 inch meters in the Tubac Water district. Applicants must swear that he/she has annual income below the threshold. The threshold is below 150% of the federal low income guidelines as periodically revised. Applicant may not be claimed as a dependent on another person's tax return. Applicant must reapply each time moving residences. Refusal or failure to provide acceptable documentation of eligibility, upon request, shall result in removal from the low income program. Rebilling of customers under the otherwise applicable rate schedule may occur for periods of ineligibility previously billed under the low income tariff. Annual income means the value of all money and noncash benefits available for living expenses, from all sources, both taxable and non-taxable, before deductions. for all people who live with the applicant.

ISSUED:

September_15, 2015

EFFECTIVE: September 1, 2015 Month Day Year

ISSUED BY:

Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

SERVICE CHARGES

This District is authorized to charge the following miscellaneous service fees:

Service Establishment, Re-establishment and/or Reconnection Charge

As provided for in EPCOR Water Arizona Inc.'s Tubac Water District Rule No. 2 (D), the Company will charge the following rates for the establishment or re-establishment and/or reconnection of Water Utility Service:

Establishment or Re-establishment of Service	\$35.00
Reconnection of Service (Delinquent)	\$35.00
Meter Test (If Correct)	\$35.00
Meter Re-read (If Correct)	\$25.00
Deposit Requirement (Residential)	(a)
Deposit Requirement (non res. Meter)	(a)
Deposit Interest	(a)
NSF Check	\$25.00
Deferred Payment, Per Month	1.5%
Late Charge, per Month	1.5%
After Hours Service Charge (b)	\$35.00

(a) Per Commission Rules (R14-2-403.B)

(b) After Hours Service: After regular working hours, on Saturdays, Sundays or holidays if at the customer's request.

ISSUED:

September 15, 2015 Month Day Year EFFECTIVE: September 1, 2015

ISSUED BY:

Month Day Year
<u>Sheryl L. Hubbard, Director, Regulatory & Rates</u>
<u>2355 W. Pinnacle Peak Road, Phoenix, AZ 85027</u>

SERVICE CHARGES

(continued)

Service and Meter Installation Charges

As provided for in EPCOR Water Arizona Inc.'s Tubac Water District Rule No. 4 (B), the Company will charge the customer, as a refundable advance in aid of construction, an amount for each meter and service line as specified below:

1. Service Line and Meter Installation Charges:

Meter Size	Service Line Installation Charges		Meter Installation Charges	<u>Total</u>
5/8 X 3/4-inch	\$	445.00	\$ 155.00	\$ 600.00
3/4inch	\$	445.00	\$ 255.00	\$ 700.00
1-inch	\$	495.00	\$ 315.00	\$ 810.00
1 1/2 -inch	\$	550.00	\$ 525.00	\$ 1,075.00
2-inch Turbine	\$	830.00	\$ 1,045.00	\$ 1,875.00
2-inch Compound	\$	830.00	\$ 1,890.00	\$ 2,720.00
3-inch Turbine		Cost	Cost	Cost
3-inch Compound		Cost	Cost	Cost
4-inch Turbine		Cost	Cost	Cost
4-inch Compound		Cost	Cost	Cost
6-inch Turbine		Cost	Cost	Cost
6-inch Compound		Cost	Cost	Cost
8-inch or Larger		Cost	Cost	Cost

ISSUED:

<u>September 15, 2015</u>

EFFECTIVE: September 1, 2015 Month Day Year

ISSUED BY:

Month Day Year Month Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

SERVICE CHARGES (continued)

Terms and Conditions

Company shall collect income taxes on the meter and service line charges. Any tax collected will be refunded each year that the meter deposit is refunded.

An applicant for water service shall pay to the Company, as a refundable advance in aid of construction the full cost to provide the new sevice line and meter.

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, use, and franchise tax. Per Commission Rule 14-2-409D(5).

All advances and/or contributions are to include labor, materials, overheads, and all applicable taxes, including all grossup taxes for income taxes, if applicable.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

ISSUED BY:

Month Day Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

1st Revised SHEET NO.	<u>3</u> .
Canceling Original SHEET NO.	3 .

GROUNDWATER WITHDRAWAL ASSESSMENT

St	ec	iai	Co	nd	itic	ns

This charge will be assessed as a separate line item on the customers' monthly bill.

Groundwater withdrawal fees shall be collected as an assessment and is subject to annual revisions as required due to changes in rates charged by the Arizona Department of Water Resources (ADWR); adjustments required due to small under or over collection of fees; and changes in the amount of groundwater the company uses to meet its customers' water demands.

This assessment fee is based on published ADWR Groundwater Withdrawal Fees and includes an allowance of 10% for lost and unaccounted for water.

ISSUED:

September 15, 2015 Month Day Year EFFECTIVE: September 1, 2015
Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

CURTAILMENT PLAN FOR TUBAC WATER DISTRICT

(Template 063004)

ADEQ Public Water System No: 04-07-099

EPCOR Water Arizona Inc. ("Company"), is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- Company has identified issues such as a steadily declining water table, increased draw down threatening b. pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

(continued on next page)

ISSUED:

September 15, 2015

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EFFECTIVE: September 1, 2015

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Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

Decision No. 69983 (Administratively Approved)

CURTAILMENT TARIFF

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Stage 3 Exists When:

- Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

<u>Restrictions:</u> Under Stage 3, Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

- 1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
- 2. Beginning with Stage 3, Company shall post at least two (2) signs showing the curtailment stage. Signs shall be posted at the well and/or pump sites located within the Tubac Water District.
- 3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

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ISSUED:

September 15, 2015

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EFFECTIVE: September 1, 2015

September 1, 2015 Month Day Year

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Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

Decision No. 69983 (Administratively Approved)

CURTAILMENT TARIFF

Stage 4 Exists When:

- Company's total water storage or well production has been less than 25 percent of capacity for at least 12 a. consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a mandatory restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- Washing of any vehicle is prohibited
- The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- The use of construction water is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

Notice Requirements:

- 1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
- 2. Beginning with Stage 4, Company shall post at least three (3) signs showing the curtailment stage. Signs shall be posted at the well and/or pump sites located within the Tubac Water District
- 3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

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ISSUED:

September 15, 2015

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2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

Decision No. 69983 (Administratively Approved)

CURTAILMENT TARIFF

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply within two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

ISSUED:

September 15, 2015

Year

Month Day

EFFECTIVE: September 1, 2015 Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

EPCOR Water Arizona Inc.

(Name of Company)

(623-445-2416

(Water Conservation Phone)

Tubac Water District (Name of Service Area)

Local and/or Regional Messaging Program Tariff - BMP 1.1

PURPOSE

A program for the Company to actively participate in a water conservation campaign with local or regional advertizing (Modified Non-Per Capita Conservation Program BMP Category 1: Public Awareness/Public Relations 1.1: Local and/or Regional Messaging Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company or designated representative shall actively participate in water conservation campaign with local and/or regional advertising.
- 2. The campaign shall promote ways for customers to save water.
- 3. The Company shall facilitate the campaign through one or more of the following avenues (not an all inclusive list):
 - a. Television commercials
 - b. Radio commercials
 - c. Websites
 - d. Promotional materials
 - e. Vehicle signs
 - f. Bookmarks
 - g. Magnets
- 4. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - A description of the messaging program implemented and program dates.
 - b. The number of customers reached (or an estimate).
 - c. Costs of Program implementation.

ISSUED:

September 15, 2015
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EFFECTIVE: September 1, 2015
Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

EPCOR Water Arizona Inc. (Name of Company) (623-445-2416

(Water Conservation Phone)

Tubac Water District (Name of Service Area)

Adult Education and Training Programs Tariff - BMP 2.1

PURPOSE

A program for the Company to implement adult education and training programs which promote water conservation and the need to conserve (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.1: Adult Education and Training Programs).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company or designated representative shall implement an adult (18 years old or older) education and training program. The Program shall target homeowners, landscape professionals and non-residential users in the Company's service area.
- 2. The Company shall provide at least 4 of the following resources:
 - a. Schedule workshops free of charge for homeowners (held at least twice annually).
 - b. Free pamphlets covering water conservation, reclaimed water, leak detection, irrigation, landscape design and low water use plants. This literature shall be available at Company offices during regular business hours, at model home sites, libraries, chambers of commerce, at the Company provided workshops, and at community events.
 - c. Self-Audit Kits and Guides for homeowners.
 - d. Speaker's Bureau.
 - Training programs for professional landscapers and non-residential users.
- 3. The Company shall keep a record of the following information and make it available to the Commission upon request.
 - a. A description of the adult conservation education and process implemented.
 - b. The number of adults reached (or an estimate).
 - c. A description of the written water conservation material provided.
 - d. Costs of Program implementation.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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Month Day Year Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

EPCOR Water Arizona Inc. (Name of Company) (623-445-2416

(Water Conservation Phone)

Tubac Water District (Name of Service Area)

Youth Conservation Education Program Tariff – BMP 2.2

PURPOSE

A program for the Company to promote water conservation by increasing students' understanding of water resources and the need to conserve (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.2: Youth Conservation Education Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company or designated representative shall work with schools in its service area to increase students' understanding of water resources and to promote water conservation.
- 2. The Company shall provide a combination of instructional assistance, education materials, teacher education, classroom presentations, and field trips to water related facilities.
- 3. The Company shall provide the following teacher resources.
 - a. Offer Project WET (Water Education for Teachers) workshops to teachers twice yearly. In lieu of Project WET the Company may market its Water Conservation Assembly Program to all schools within its service area. The Water Conservation Assembly Program will focus on teaching students about water resources and water conservation. The assembly itself will be an interactive water conservation discussion.
 - b. Provide free resource materials and information upon request.
 - c. Provide in-classroom presentations upon request.
- 4. The Company shall make available free take home educational materials for elementary school students.
- The Company shall keep a record of the following information and make it available upon request.
 - a. A description of the youth conservation education process implemented.
 - b. The number of students reached (or an estimate).
 - A description of the written water conservation material provided free to students.
 - d. Costs of the Youth Conservation Education Program implementation.

ISSUED:

September 15, 2015

Year

Month Day

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Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

EPCOR Water Arizona Inc. (Name of Company) (623-445-2416

(Water Conservation Phone)

Tubac Water District (Name of Service Area)

New Homeowner Landscape Information Tariff – BMP 2.3

PURPOSE

A program for the Company to promote the conservation of water by providing a landscape information package for the purpose of educating its new customers about low water use landscaping (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.3: New Homeowner Landscape Information).

REQUIREMENTS:

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. Upon establishment of water service the Company shall offer and make available upon request a free "Homeowner Landscape Packet" to each new customer in the Company's service area. The packet will include at a minimum: a cover letter describing the water conservation expectations for all customers in the Company's service area, applicable rate tariffs, a basic interior/exterior water saving pamphlet, xeriscape landscape information, a list of low water use trees, plants, shrubs, etc., watering guidelines, and a rain water harvesting pamphlet.
- 2. Upon customer request, the Company shall provide:
 - a. On-site consultations on low water use landscaping and efficient watering practices.
 - b. A summary of water saving options.
- 3. The Company shall keep a record of the number of packets provided to new customers and make it available to the Commission upon request.

ISSUED:

<u>September 15, 2015</u>

Year

Month Day

EFFECTIVE: September 1, 2015 Month Day Year

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Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

EPCOR Water Arizona Inc. (Name of Company)

(623-445-2416

(Water Conservation Phone)

Tubac Water District (Name of Service Area)

Residential Audit Program Tariff – BMP 3.1

PURPOSE

A program for the Company to promote water conservation by providing customers with information on performing water audits to determine conservation opportunities at their residence (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.1: Residential Audit Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall offer self-audit information.
- 2. The Company or designated representative shall provide all customers that request them with a self-audit kit.
- 3. The kit shall include detailed instructions and tools for completing the water audit including information on how to check their water meter. The audit kit shall include but not be limited to information on checking the following components: irrigation system, pool, water features, toilets, faucets and shower.
- 4. If requested, the Company shall assist the customer in a self-water audit and assist the customer in determining what might be causing high water usage as well as supply customer with information regarding water conservation and landscape watering guidelines. As part of the water audit, and if requested to do so by the customer, the Company shall confirm the accuracy of the customer meter (applicable meter testing fees shall apply).
- 5. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - a. A description of the water conservation material provided in the kit.
 - b. The number of kits provided to customers.
 - c. Implementation costs of the Residential Audit Program.

ISSUED:

September 15, 2015

Year

EFFECTIVE: September 1, 2015
Month Day Year

Month Day
ISSUED BY: Shervl L.

Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

EPCOR Water Arizona Inc. (Name of Company) (623-445-2416 (Water Conservation Phone)

Tubac Water District (Name of Service Area)

Residential Interior Retrofit Program Tariff – BMP 3.4

PURPOSE

A program for the Company to promote water conservation by providing residential customers free or low cost plumbing fixtures for their residence (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.4: Residential Interior Retrofit Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company or designated representative shall provide to residential customers that request them that live in homes built prior to the adoption of the 1990 Uniform Plumbing Code free or low cost low water use fixtures such as faucets, faucet aerators, low flow shower heads, toilets and toilet dams. The Company must offer the fixtures/fixture retrofits to all residential customers meeting the above criteria unless the Company can demonstrate that targeting certain portions of its water service area is likely to yield the highest participation and/or potential water savings.
- 2. The fixtures or retrofit kit shall include detailed instructions for installing the retrofit fixtures.
- 3. The Company shall select appropriate communications channels to advertize the program.
- 4. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - d. A description of the Residential Interior Retrofit Program including a description of the fixtures provided to customers and estimated water savings as a result of Program implementation.
 - e. The number of retrofit fixtures requested by customers and the number of fixtures provided.
 - Costs of the Residential Interior Retrofit Program.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

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Month Day Year Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

EPCOR Water Arizona Inc. (Name of Company) (623-445-2416

(Water Conservation Phone)

Tubac Water District (Name of Service Area)

Customer High Water Use Inquiry Resolution Tariff – BMP 3.6

PURPOSE

A program for the Company to assist its customers with their high water-use inquiries and complaints (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.6: Customer High Water Use Inquiry Resolution).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall handle high water use inquiries as calls are received.
- 2. Calls shall be taken by a customer service representative who has been trained on typical causes of high water consumption as well as leak detection procedures that customers can perform themselves.
- 3. Upon request by the customer or when the Company determines it is warranted, a trained Field Technician shall be sent to the customer's residence to verify consumption and conduct a leak detection inspection and further assist the customer with water conservation measures.
- 4. The Company shall follow up on every customer inquiry or complaint and keep a record of inquiries and followup activities. The Company shall make this information available to the Commission upon request.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015 Month Day Year

ISSUED BY:

Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

EPCOR Water Arizona Inc. (Name of Company) (623- 445-2416

(Water Conservation Phone)

Tubac Water District (Name of Service Area)

<u>Customer High Water Use Notification Tariff – BMP 3.7</u>

PURPOSE

A program for the Company to monitor and notify customers when water use seems to be abnormally high and provide information that could benefit those customers and promote water conservation (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services Program 3.7: Customer High Water Use Notification).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall track water usage for each customer and notify the customer if water use seems excessive for that particular billing for that time of the year.
- 2. The Company shall identify customers with high consumption, verify the high consumption, and investigate each instance to determine the possible cause.
- 3. The Company shall contact the high water use customers via telephone, email, by mail or in person. The Company shall contact the customer as soon as practical in order to minimize the possible loss of water. The customer will not be required to do anything to receive this notification.
- 4. In the notification the Company shall explain some of the most common water usage problems and common solutions and points of contact for dealing with the issues.
- 5. In the notification, the customer will be reminded of possible high water-consumption occurrences, such as:
 - a. Leaks, running toilets, or valves or flappers that need to be replaced.
 - b. Irrigation system valves or sprinkler heads which may be leaking.
 - c. Sprinklers that may be watering the house, sidewalk, or street, etc. increasing irrigation requirements.
 - d. Leaking pool or spas and possible leaks around pumps.
 - e. More people in the home than usual taking baths and showers.
 - f. Doing more loads of laundry than usual.
 - g. Doing a landscape project or starting a new lawn.
 - h. Washing vehicles more often than usual.

(Continued on Sheet No. 5h)

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015
Month Day Year

ISSUED BY:

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EPCOR Water Arizona Inc. (Name of Company) (623- 445-2416

(Water Conservation Phone)

Tubac Water District (Name of Service Area)

Customer High Water Use Notification Tariff – BMP 3.7 (Continued)

- 5. The Company shall offer water conservation information that could benefit the customer, such as, but not limited to, audit programs, publications, and rebate programs.
- 7. The Company shall assist the customer in determining what might be causing the high water usage as well as offer the customer information regarding water conservation and landscape watering guidelines. The Company shall confirm the accuracy of the customer meter if requested to do so by the customer (applicable meter testing fees shall apply).
- 8. The type of notification, the timing of the notification (i.e., how long after high water use was discovered by the Company), and the criteria used for determining which customers are notified shall be recorded. The Company shall make this information available to the Commission upon request.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

Month Day Y

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

EPCOR Water Arizona Inc. (Name of Company)

(623-445-2416

(Water Conservation Phone)

Tubac Water District (Name of Service Area)

Meter Repair and/or Replacement Tariff – BMP 4.2

PURPOSE

A program for the Company to systematically assess all in-service water meters (including Company production meters) in its water service area to identify under-registering meters and to repair or replace them (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.2 Meter Repair and/or Replacement Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. On a systematic basis, the Company will replace all 2-inch and smaller in-service water meters at least once every fifteen years.
- 2. The Company will test all meters that have caused a meter reading complaint to be filed with the Arizona Corporation Commission.
- 3. Meters larger than 2-inch shall be tested for one of the following reasons:
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has been in service for five years.
- 4. The test will be accomplished by one of the following:
 - a. Having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be underregistering or other broken parts which need repair.
 - b. Utilizing equipment to verify that all electronic components are within manufacturer specifications and are operating properly.
- 5. In addition, meters shall be randomly selected for flow testing utilizing a flow through detector testing meter.
- 6. All replacement water meters shall register in gallons:
 - a. All new 1-inch and smaller meters that are installed will register usage in 1 gallon increments.
 - b. All new 1-1/2-inch through 4-inch meters that are installed will register in 10 gallon increments, and
 - c. All new 6-inch and larger meters that are installed will register in 100 gallon increments.
- 7. The Company shall keep records on the number of meters that were replaced and make this information available to the Commission upon request.

ISSUED:

September 15, 2015

EFFECTIVE: September 1, 2015

ISSUED BY:

Month Day Year Month Day Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

EPCOR Water Arizona Inc. (Name of Company) (623- 445-2416

(Water Conservation Phone)

Tubac Water District (Name of Service Area)

WATER SYSTEM TAMPERING TARIFF - BMP 5.2

PURPOSE

The purpose of this tariff is to promote the conservation of groundwater by enabling the Company to bring an action for damages or to enjoin any activity against a person who tampers with the water system.

REQUIREMENTS:

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission, specifically Arizona Administrative Code ("AAC") R14-2-410 and the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. In support of the Company's water conservation goals, the Company may bring an action for damages or to enjoin any activity against a person who: (1) makes a connection or reconnection with property owned or used by the Company to provide utility service without the Company's authorization or consent; (2) prevents a Company meter or other device used to determine the charge for utility services from accurately performing its measuring function; (3) tampers with property owned or used by the Company; or (4) uses or receives the Company's services without the authorization or consent of the Company and knows or has reason to know of the unlawful diversion, tampering or connection. If the Company's action is successful, the Company may recover as damages three times the amount of actual damages.
- 2. Compliance with the provisions of this tariff will be a condition of service.
- 3. The Company shall make available to all its customers a complete copy of this tariff and AAC R14-2-410. The customers shall follow and abide by this tariff.
- 4. If a customer is connected to the Company water system and the Company discovers that the customer has taken any of the actions listed in No. 1 above, the Company may terminate service per AAC R14-2-410.
- 5. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE: September 1, 2015

<u>September 1, 2015</u> Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates 2355 W. Pinnacle Peak Road, Phoenix, AZ 85027

Paradise Valley Water Tariff

RULES AND REGULATIONS APPLICABLE TO WATER SERVICE OF PARADISE VALLEY WATER DISTRICT

Legally named and operating in:

Paradise Valley, Maricopa County, Arizona

These rules and regulations have been authorized by the Arizona Corporation Commission and are the effective rules and regulations of this District.

Services will be furnished in accordance with these rules and regulations and no officer, employee, or representative of this Company has any authority to write, alter, or amend these rules and regulations or any parts thereof in any respect.

> ISSUED: September 15, 2015 EFFECTIVE: September 1, 2015 Month Day Year Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Paradise Valley Water District

(Name of Service Area)

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EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Paradise Valley Water District

(Name of Service Area)

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ISSUED: September 15, 2015

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EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

PRELIMINARY STATEMENT

Paradise Valley Water District (hereinafter the "District") of EPCOR Water Arizona, Inc. (hereinafter the "Company") is engaged in the business of supplying water service in the County or counties previously mentioned.

These Rules and Regulations are designed to govern the supply of water in such manner as will secure to each customer the greatest practicable latitude in the enjoyment of service, consistent with good service to himself and other customers, and with safety to the public and the Company's employees.

These Rules and Regulations are on file with the Arizona Corporation Commission of the State of Arizona, and copies are available at all Company offices. They are a part of every contract for service and govern all classes of service, except where specific provisions in contracts or schedules modify it. All prior rules, customs, or alleged understandings are hereby rescinded. These rules and regulations are available for review by any customer, at any office of the Company.

Rates for metered service and other services rendered are those on file with the Arizona Corporation Commission and are available at the offices of the Company.

ISSUED: September 15, 2015

Month Day Year

EFFECTIVE: September 1, 2015

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 1 DEFINITIONS

For the purpose of these rules and regulations, unless the context otherwise requires, the following definitions shall apply:

- 1. Advance in Aid of Construction: Funds provided to the Company by an applicant under the terms of a main extension agreement of service connection tariff, the amount of which may be reasonable.
- 2. Applicant: A person requesting the Company to supply water service.
- 3. Application: A written request of the Company for water service, as distinguished from an inquiry as to the availability or charges for such service.
- 4. Arizona Corporation Commission: The regulatory authority of the State of Arizona having jurisdiction over the public service corporations operating in Arizona.
- 5. Billing Month: The period between any two regular readings or estimated readings of the Company's meters at approximately thirty (30) day intervals.
- 6. Billing Period: The time interval between two consecutive meter readings or estimates that are taken for billing purposes.
- 7. Commission: The Arizona Corporation Commission.
- 8. Commodity Charge: The unit of cost per billed usage, as set forth in the Company's tariffs.
- 9. Company: EPCOR Water Arizona, Inc.
- 10. Contributions in Aid of Construction: Funds provided to the Company by an applicant under the terms of a main extension agreement and/or service connection tariff, the amount of which is not refundable.
- 11. Customer: The person or entity in whose name service is rendered, as evidenced by the signature on the application or contract for that service, or by the receipt and/or payment of bills regularly issued, regardless of the identity of the actual user of the service.
- 12. Customer Charge: The amount the customers must pay the Company for the availability of water service, excluding any water used, as specified in this District's tariffs.
- 13. Customer Piping: The pipe that transports water to the customer from the Point of Delivery to the point of usage by the customer.
- 14. Day: Calendar day.
- 15. Distribution Main: A water main of the Company from which service connections may be extended to customers.
- 16. District: Paradise Valley Water District.
- 17. Interruptible Water Service: Water service that is subject to interruption or curtailment.

ISSUED: September 15, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 1 (continued) DEFINITIONS

- 18. Main Extension: The mains and ancillary facilities relevant to providing service to additional customers via the extension of the distribution system.
- 19. Master Meter: A meter owned by Company for measuring or recording the volume or flow of water at a single location where said water is transported through a piping system to several tenants or occupants for their individual consumption.
- 20. Meter: A Company-owned instrument that measures and indicates or records the volume of water that passes through it.
- 21. Meter Tampering: A situation where a meter has been illegally altered. Common examples are meter bypassing, use of devices to slow the meter recorder, and broken meter seals.
- 22. Minimum Charge: The amount the customer must pay for the availability of water service, including an amount of usage, as specified in this District's tariffs.
- 23. Minimum Delivery Pressure: 20 pounds per square inch gauge at the meter or Point of Delivery.
- 24. Permanent Customer: A customer who is a tenant or owner of a service location who applies for and receives permanent water service.
- 25. Permanent Service: service which, in the opinion of the Company, is of a permanent and established character. The use of water may be continuous, intermittent, or seasonal in nature.
- 26. Person: Any individual, partnership, corporation, governmental agency, or other organization operating as a single entity.
- 27. Point of Delivery: The point where facilities owned, leased or under license by a customer connect to Company's pipes or to the outlet side of Company's meter.
- 28. Premises: All of the real property and apparatus employed in a single enterprise or living unit on an integral parcel or land undivided by public streets, alleys, or railways.
- 29. Residential Subdivision Development: Any tract of land that has been divided into six or more contiguous lots for use in the construction of residential buildings or permanent mobile homes for either single or multiple occupancy; as "subdivision" is defined by Arizona Revised Statutes §32-2101.
- 30. Residential Use: Service to customers using water for domestic purposes such as personal consumption, water heating, cooking, clothes washing, and other residential uses, including use in apartment buildings, mobile home parks, and other multi-unit residential buildings.
- 31. Rules: The regulations set forth in the tariffs that apply to the provision of water service.
- 32. Service Area: The territory in which the Company has been granted a certificate of convenience and necessity and is authorized by the Commission to provide water service in this District.
- 33. Service Establishment Charge: The charges specified in this District's tariffs that cover the cost of establishing a new account.

ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 1 (continued) DEFINITIONS

- 34. Service Line: A water line that transports water from a common source (normally a distribution main) of supply to the customer's Point of Delivery.
- 35. Service Reconnect Charge: The charge as specified in this District's tariffs that must be paid by the customer prior to reestablishment of water service each time the water is disconnected for nonpayment or whenever service is discontinued for failure otherwise to comply with this District's filed rules.
- 36. Service Reestablishment Charge: A charge as specified in this District's tariffs, for service at the same location where the customer or a member of the customer's immediate family, had ordered a service disconnection within the preceding twelve month period.
- 37. Single Family Dwelling: A house, an apartment, or a mobile home permanently affixed to a lot, or any other permanent residential unit that is used as a home.
- 38. Tariffs: The documents filed with the Commission that list the services and products offered by this District and that set forth the terms, conditions, and a schedule of the rates and charges for those services and products.
- 39. Temporary service: service to premises or enterprises that is temporary in character, or where it is known in advance that the service will be of limited duration. Service that, in the opinion of the Company, is for operations of a speculative character is also considered temporary service.
- 40. Utility: The public service corporation providing water service to the public in compliance with state law.

ISSUED: September 15, 2015 EFFECTIVE: September 1, 2015 Month Day Year Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 2 ESTABLISHMENT OF SERVICE

A. INFORMATION FROM NEW APPLICANTS

- 1. The Company may obtain the following minimum information prior to acceptance of the applicant as a customer.
 - a. Name or names of applicant(s).
 - b. Service address or location and telephone number.
 - c. Billing address or location and telephone number, if different than service address.
 - d. Address where service was provided previously.
 - e. Date applicant will be ready for service.
 - f. Indication of whether premises have been supplied with Company service previously.
 - g. Purpose for which service is to be used.
 - h. Indication of whether applicant is owner or tenant of or agent for the premises, and written proof of agency.
- 2. The Company may require a new applicant for service to appear at the Company's designated place of business to produce proof of identity and sign the Company's application form.
- 3. Where service is requested by two or more individuals the Company shall have the right to collect the full amount owed to the Company from any one of the applicants.

B. DEPOSITS

- 1. The Company may require a deposit from any new applicant for service.
- 2. The Company shall issue a nonnegotiable receipt to the applicant for the deposit. The inability of the customer to produce such a receipt shall in no way impair his right to receive a refund of the deposit which is reflected on the Company's records.
- 3. Interest on deposits shall be calculated annually at an interest rate filed by the Company and approved by the Commission in a tariff proceeding. In the absence of such, the interest rate shall be six percent (6%).
- 4. Interest shall be computed and accrued to the customers account on an annual basis.
- 5. Residential deposits plus accrued interest shall be refunded within thirty (30) days after discontinuance of service when the customer has paid all outstanding amounts due the Company.
- 6. A separate deposit may be required for each meter installed.
- 7. The amount of a deposit required by the Company shall be determined according to the following terms.

ISSUED: September 15, 2015 EFFECTIVE: September 1, 2015 Month Day Year Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

- a. Residential customer deposits shall not exceed two times the average residential class bill as evidenced by this District's most recent annual report filed with the Commission.
- b. Nonresidential customer deposits shall not exceed two and one-half times that customer's estimated maximum monthly bill.
- c. The Company may review the customer's usage after service has been connected and adjust the deposit amount on the basis of the customer's actual usage.
- 8. Residential Customer Deposits will automatically be refunded by the Company after twelve (12) consecutive months during which time the customer has not been delinquent more than (3) times in a twelve (12) month period, or at the discretion of the Company at any time before service is discontinued. Upon final discontinuance of the use of the service and full settlement of all bills by the customer, any deposit, not previously refunded, with accrued interest, if any, in accordance with the provisions of this policy will be returned to the customer or at the Company's election, it may be applied to the payment of any unpaid accounts of the customer and the balance. if any, returned to the customer.
- 9. The Company may require a customer to establish or reestablish a deposit if the customer becomes delinquent in the payment of two (2) or more bills within a twelve (12) consecutive month period or has been disconnected for nonpayment during the last twelve (12) months.
- 10. Deposits shall not prevent the Company from terminating the agreement for service with a customer or suspending service for any failure in the performance of customer obligations under the agreement for service or any violation of this District's Rules and Regulations.
- 11. Upon discontinuance of service, the Company may apply the deposit toward settlement of the customer's bill.

C. **GROUNDS FOR REFUSAL OF SERVICE**

- The Company may refuse to establish service if any of the following conditions exist:
 - a. The applicant has an outstanding amount due for the same class of utility service with the Company and the applicant is unwilling to make arrangements with the Company for payment.
 - b. A condition exists, or could occur, which in the Company's judgment is unsafe or hazardous to the applicant, the general population, or the Company's personnel or facilities.
 - Refusal by the applicant to provide the Company with a deposit.
 - d. Customer is known to be in violation of the Company's tariffs filed with the Commission or of the Commission's Rules and Regulations.
 - e. Failure of the customer to furnish such funds, service, equipment, and/or rights-of-way necessary to serve the customer and which have been specified by the Company as a condition for providing service.
 - Applicant falsifies his or her identity for the purpose of obtaining service.

ISSUED: September 15, 2015 EFFECTIVE: September 1, 2015 Month Day Year

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ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

- D. SERVICE ESTABLISHMENTS, REESTABLISHMENTS, OR RECONNECTION CHARGE:
 - 1. The Company may make a charge as periodically filed with the Commission for establishment, reestablishment, reconnection or disconnection of utility services.
 - 2. Should service be established or disconnected during a period other than regular working hours at the customer's request or cause, the customer may be required to pay an after hours charge. Where the Company's scheduling will not permit the requested service on the same day requested, the customer can elect to pay the after hours charge for the service that day.
 - 3. For purposes of this tariff, service establishments are where the customer's facilities are ready and acceptable to the Company and the Company needs only to install a meter, read a meter, or turn the service on.

E. TEMPORARY SERVICE

- 1. Applicants for temporary service may be required to pay the Company, in advance of service establishment, the estimated cost of installing and removing the facilities necessary for furnishing the desired service.
- 2. Where the duration of service is to be less than one month, the applicant may also be required to advance a sum of money equal to the estimated bill for service.
- 3. Where the duration of service is to exceed one month, the applicant may also be required to meet the deposit requirements of this District.
- 4. If at any time during the term of the agreement for service the character of a temporary customer's operations changes so that in the opinion of the Company the customer is classified as permanent, the terms of this District's main extension rules shall apply'

F. DOUBTFUL PERMANENCY

When in the Company's opinion, the permanent nature of the customer's requirement for water service is doubtful, the customer shall be required to enter into an agreement with the Company and shall advance the entire cost of construction, including the mains and associated equipment. The agreement shall include provisions for refund upon proof of permanency to the satisfaction of the Company.

G. SERVICE LOCATION, INFORMATION

The Company reserves the right to determine the conditions under which extension will be made. Conditions for service and extending service to the customer will be based upon the following:

- a. All such installations-shall be in accordance with the Company's specifications and located at an outdoor location accessible to the Company.
- b. Individual customers may be required to have their property corner pins and/or markers installed.

ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 2 (continued) ESTABLISHMENT OF SERVICE

c. Where the installation requires more than one meter for service to the premises, each meter pit or box shall be permanently marked (not painted) by the contractor or customer to properly identify the portion of the premises having service. The identification shall be the same as the apartment, office, etc. served by that meter. The identifying marking placed on each meter shall be impressed into or raised from a tag of aluminum, brass or other approved non-ferrous metal with maximum 1/4-inch-high letters. This tag must be attached to the meter pit or box. The impression must be deep enough to prevent the identification(s) from being obscured.

H. IDENTIFICATION OF PREMISES

The premises to be served by the Company shall be clearly identified by the customer at the time of application. If the service address is not recognized in terms of a commonly used identification system, the customer may be required to provide specific written directions and/or legal descriptions before the Company shall be required to act upon a request for water service.

I. SERVICE CALLS FOR ESTABLISHMENTS DURING REGULAR HOURS

The customer for establishment of service by this District shall pay a minimum service charge of \$30.00. In addition, the Company may charge the customer for time, materials and equipment used by the Company if the establishment of service requires repairs or alterations to the Company facilities as a result of the following:

- 1. An interruption caused by the customer's willful act or omission, negligence or failure of customer-owned equipment, even though the Company is unable to perform any work beyond the Point of Delivery.
- 2. A required reconnection of water service to any customer previously disconnected for nonpayment.
- 3. Unlawful use of service, misrepresentation to the Company, unsafe conditions, threats to Company personnel or property, failure to permit safe access, detrimental effect of customer demands on the Company system, failure to establish credit and/or sign an agreement for service, or any other reason authorizing the Company to make connection.

J. SERVICE CALLS FOR ESTABLISHMENTS AFTER REGULAR HOURS

A minimum service charge of \$40.00 will be imposed for a service call after regular hours. In addition, the Company may charge the, customer for time, materials and equipment used by the Company if the establishment of service requires repairs or alterations to the Company facilities as a result of the following:

- An interruption caused by the customer's willful act or omission, negligence or failure of customer-owned equipment, even though the Company is unable to perform any work beyond the Point of Delivery. The Company shall make reasonable effort to advise the customer about the possibility of such charges before the service call starts.
- 2. A required reconnection of water service to any customer previously disconnected for nonpayment.
- 3. Unlawful use of service, misrepresentation to the Company, unsafe conditions, threats to Company personnel or property, failure to permit safe access, detrimental effects of customer demands on the Company system, failure to establish credit and/or sign an agreement for service or any other reason authorizing the Company to make such disconnection. Such work will be performed only when requested and agreed to by the customer.

ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015

Month Day Year

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 3 MINIMUM CUSTOMER INFORMATION REQUIREMENTS

A. INFORMATION FOR RESIDENTIAL CUSTOMERS

- 1. The Company shall make available upon customer request not later than sixty (60) days from the date of request a concise <u>summary</u> of the rate schedule applied for by the customer. The <u>summary</u> shall include the following:
 - a. Monthly minimum or customer charge, identifying the amount of the charge and the specified amount of usage included in the minimum charge where applicable.
 - b. Rate blocks, where applicable.
 - c. Any adjustment factor(s) or tax impositions and methods of calculation.
- 2. The Company shall to the extent practical, identify the tariff most advantageous to the customer and notify the customer of such prior to service commencement.
- 3. In addition, the Company shall make available upon customer request not later than sixty (60) days from the date of request a copy of this District's Rules and Regulations governing:
 - a. Deposits
 - b. Termination of service
 - c. Billing and collection
 - d. Complaint handling
- 4. The Company, upon written request of a customer, shall not, more than once each calendar year; transmit a concise statement of actual consumption by such customer for each billing period during the prior twelve (12) months, unless such data is not reasonably ascertainable.
- 5. The Company shall inform all new customers of their right to obtain the information specified above.

B. INFORMATION REQUIRED DUE TO CHANGES IN TARIFFS

- 1. The Company shall transmit, to affected customers, by the most economic means available, a concise <u>summary</u> of any change in the Company's tariffs affecting those customers.
- 2. This information shall be transmitted to the affected customer within sixty (60) days of the effective date of the change.

ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015

Month Day Year

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 4 SERVICE CONNECTIONS AND REESTABLISHMENTS

A. PRIORITY AND TIMING OF SERVICE ESTABLISHMENTS

- 1. After an applicant has complied with the Company's application and deposit requirements and has been accepted for service by the Company, the Company shall schedule that customer for service connection and/or establishment.
- 2. Service establishments shall be scheduled for completion within five (5) working days of the date the customer has been accepted for service, except in those instances when the customer requests service establishment beyond the five (5) working day limitation.
- 3. When the Company has made arrangements to meet with a customer for service establishment purposes and the Company or the customer cannot make the appointment during the prearranged time, the Company shall reschedule the service establishment to the satisfaction of both parties.
- 4. The Company shall schedule service establishment appointments within a maximum range of four (4) hours during normal working hours, unless another time frame is mutually acceptable to the Company and its customer.
- 5. Service establishments shall be made only by qualified Company service personnel or persons authorized by the Company.
- 6. For the purpose of this tariff, service establishments are where the customer's facilities are ready and acceptable to the Company and the Company needs only to install or read a meter or turn the service on.

B. SERVICE LINES

- 1. An applicant for service shall be responsible for the cost of installing their piping up to the meter (i.e., the "Customer Piping").
- 2. An applicant for service shall pay to the Company as a refundable advance in aid of construction a sum for each meter and service line. Where service is being provided for the first time, the sum paid to the Company shall be per the tariff. Where a second meter and service line for a single lot is requested by a customer, which may be for domestic use, irrigation, or fire protection, Company may charge the actual cost of installing the second meter and service line.
- 3. Except where the refundable advances in aid of construction for meters and service lines have been included in refundable advances in aid of construction for main extensions and thus are refundable pursuant to main extension contracts approved by the Commission, each advance in aid of construction for a service line or meter shall be repaid by the Company by an annual credit of one-tenth of the amount received. Said credit to be applied upon the water bill rendered in November of each year until fully paid, for each service line and meter for which the advance was made, and said credit to commence in the month of November for all such advances received during the preceding calendar year.
- 4. Where service is being provided for the first time, the customer shall provide and maintain a private cutoff valve within 18 inches of the meter on the customer's side of the meter, and the Company shall provide a like valve on the Company's side of such meter.

RULE NO. 4 (continued)

ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015

Month Day Year

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

MINIMUM CUSTOMER INFORMATION REQUIREMENTS

- 5. The Company may install its meter at the property line or, at the Company's option, on the customer's property in a location mutually agreed upon. If on the customer's property, customer shall grant an easement to Company to allow Company to access and maintain the meter and service line.
- 6. Where the meter or service line location on a customer's premises is changed at the request of the customer or due to alterations on the customer's premises, the customer shall provide and install at the customer's expense all Customer Piping. Company may charge the actual cost of removing the meter or service line and may charge the actual cost of installing a new meter or service line.
- 7. The customer's piping must be installed in such a manner as to prevent cross-connection or backflow. Any alteration or repairs done by the customer to the customer's plumbing shall also include bringing the customer's piping up to current Company standards.
- 8. The Company shall retain the right to specify the location and size of any meter setting or service connection.
- C. CUSTOMER PROVIDED EQUIPMENT, SAFETY AND OPERATION

Each customer shall be responsible for maintaining all equipment and facilities used for Company services located on the customer's side of the meter in a safe operating condition.

D. EASEMENTS AND RIGHTS-OF-WAY

- 1. Each customer shall grant adequate easements and rights-of-way satisfactory to the Company to ensure that customer's proper service connection. Failure on the part of the customer to grant adequate easements and rights-of-way shall be grounds for the Company to refuse service.
- 2. When the Company discovers that a customer or the customer's agent is performing work or has constructed facilities adjacent to or within an easement or right-of-way and such work, construction, or facility poses a hazard or is in violation of federal, state or local laws, ordinances, statutes, rules or regulations, or significantly interfaces with the Company's access to equipment, the Company shall notify the customer or the customer's agent and shall take whatever actions are necessary to eliminate the hazard, obstruction or violation at the Customer's expense.
- 3. If it is necessary for the Company to excavate in an easement or right-of-way to extend or repair water facilities, the Company will not be responsible for the cost to replace or repair landscaping, fences, trees, shrubs, structures, etc. Placed within the easement or right-of-way.
- 4. The Company shall at all times have the right of safe ingress and egress from the customer's premises at all reasonable ours for any purpose reasonably connected with the Company's property used in furnishing service.

ISSUED: September 15, 2015

Month Day Year

EFFECTIVE: September 1, 2015

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 5 MAIN EXTENSION AGREEMENTS

- A. EXTENSIONS OF MAINS AND SERVICES; ADVANCES IN AID OFCONSTRUCTION GENERAL REQUIREMENTS
 - 1. The Company will supply service for temporary purposes, provided that the Company has water available in excess of the Company's regular needs, and provided the Company has available material and equipment necessary to supply said service. Each applicant for such service must pay in advance, to the Company, the Company's estimate of the cost of labor and materials, less salvage value on removal, for installing and removing such service.
 - 2. An applicant for the extension of mains shall be required to pay the Company, as a refundable advance in aid of construction, before construction is commenced, the estimated reasonable cost of all mains, distribution lines and service lines, including all valves, fittings, meters, other costs and reasonable overheads.
 - a. Upon request by a potential applicant for a main extension, the Company shall prepare, without charge, a preliminary sketch and rough estimates of the cost of installation to be paid by said applicant.
 - b. Any applicant for a main extension requesting the Company to prepare detailed plans, specifications, or cost estimates may be required to deposit with the Company an amount equal to the estimated cost of preparation. The Company shall, upon request, make available within forty-five (45) days after receipt of the deposit referred to above, such plans, specifications, or cost estimates of the proposed main extension. Where the applicant accepts the plans and the Company proceeds with construction of the extension, the deposit shall be credited to the cost of construction; otherwise the deposit shall be nonrefundable. If the extension is to include over-sizing of facilities to be done at the Company's expense, appropriate details shall be set forth in the plans, specifications and cost estimates.
 - c. In the event that additional facilities are required to provide or sustain pressure, storage, or water supply for the new service or services requested, or for existing customers as a consequence of the extension of service, and the cost of the additional facilities is disproportionate to anticipated revenues to be derived from the future customers, the estimated reasonable cost of such additional facilities may be included in refundable advances in aid of construction to be paid to the Company.
 - 3. Refunds of advances shall be made in accord with the following method: the Company shall each year, pay to the party making an advance under a main extension agreement, or that party's assigns or other successors in interest where the Company has received notice and evidence of such assignment or succession, an amount equal to ten per centum (10%) of the total gross annual revenue, less any gross receipts or sales taxes and amounts payable to any municipalities or others for treatment and/or transmission of water from each bonafide customer whose service is connected directly to main or extension lines covered by the main extension agreement. Refunds shall not be made for any period after the expiration of ten (10) years from the date of the advance. Refunds shall be made by the Company on or before the 31st day of August of each year, covering any refunds owing from water revenues received during the preceding July 1st to June 30th period. A balance remaining at the end of the ten-year period shall become non-refundable, and the balance not refunded shall be entered as a contribution in aid of construction in the accounts of the Company.

ISSUED: September 15, 2015

Month Day Year

EFFECTIVE: September 1, 2015

Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

- 4. The aggregate refunds shall in no event exceed the total of the refundable advances in aid of construction. No interest shall be paid by the Company on any amount advanced. The Company shall make no refunds from any revenues received from any lines or mains, other than customer service lines, leading up to, or taking off, from the particular main extension covered by the agreement.
- 5. The Company may, upon approval by the Commission, terminate its obligation to refund a percentage of gross revenues from a main extension by accord and satisfaction of its obligations under the main extension agreement.
- 6. All agreements entered into shall be evidenced by a written agreement, and signed by the Company and all parties advancing the funds for advances in aid of construction, or the duly authorized agents of each.
- 7. The size, type and quality of materials and of the system, installed location in the ground, and the manner of installation, shall be specified by the Company, and shall accord with the requirements of the Commission or other public agencies having authority therein. The Company may install main extensions of any diameter meeting the requirements of the Commission or any other public agencies having authority over the construction and operation of the water system.
- 8. All mains, valves, fittings, wells, meters, tanks, and other facilities installed shall be the sole property of the Company, and parties making advances in aid of construction shall have no right, title or interest in any such facilities.
- 9. The Company, upon written request, shall furnish to any party seeking to enter into a main extension agreement a schedule of the proposed reasonable contract price for such extension of mains or other facilities. Such schedules show a breakdown of the contract prices of materials and costs of installation. Different sizes and types of mains shall be separately stated. Valves, meters, and fittings shall be separately stated or listed as a percentage of total cost. All advances shall be made without provision for profit to the Company but shall include reasonable overheads.
- 10. The Company shall schedule, within reason, new requests for main extension agreements, and for service under main extension agreements, promptly and in order received.
- 11. If an applicant for service seeking to enter into a main extension agreement deems the contract price or the time of performance to be unreasonable, the applicant may solicit bids from bonded contractors, provided that all bids shall be submitted by the bid date stipulated by the Company. If a lower bid is obtained, or if a bid is obtained at an equal price with a more appropriate time of performance, and if such bid contemplates total conformity with the Company's requirements and specifications, the Company shall be required to meet the terms and conditions of the bid proffered, or to enter into a construction contract with the contractor proffering such bid. A performance bond in the total amount of the contract may be required by the Company from the contractor prior to construction.
- 12. In the case of disagreement or dispute regarding the application of this rule or any of its several provisions, or where the application of this rule works an injustice or undue hardship upon any party or anticipated party to any agreement hereunder, the party aggrieved may refer the matter to the Commission for hearing and decision in accord with the Rules of Practice and Procedure of the Commission.

ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015

Month Day Year

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

- 13. All agreements shall be filed with and approved by the Utilities Division of the Commission. Where agreements for extension of service are not filed and approved, all advances in aid of construction shall be immediately due and payable to any person making such an advance.
- 14. No extension of facilities shall be made without first having received approval of plans and specifications of such extensions or installations from the Arizona State Department of Health Services. A copy of such written approval shall then be filed with the Utilities Division of the Arizona Corporation Commission.

B. WRITTEN AGREEMENT REQUIREMENTS

- 1. Each main extension agreement shall include the following information:
 - a. Name and address of applicant(s).
 - b. Proposed service address or location.
 - c. Description of requested service.
 - d. Description and map of the requested line extension.
 - e. Itemized cost estimate to include materials, labor and other costs as necessary.
 - f. Payment terms.
 - g. A clear and concise explanation of any refunding provisions, if applicable.
 - h. Company's estimated start date and completion date for construction of the main extension.
- 2. Each applicant shall be provided with a copy of the written main extension agreement.

C. FINAL COST

- 1. In the event the Company's actual completed cost is less than the amount advanced by the customer, the Company shall make a refund to the applicant within 30 days after completion of the construction or Company's receipt of invoices related to that construction.
- 2. In the event the Company's actual completed cost is more than the amount advanced by the customer the Company shall notify the applicant and the applicant shall remit additional funds within 30 days of notification of the actual completed cost. Should the applicant fail to remit additional funds, service may be discontinued to the extension until the actual completed cost is paid in full.

D. CONSTRUCTION/FACILITIES RELATED INCOME TAXES

1. Definitions:

- a. "Company" or "utility" refers to the entity authorized to provide public utility service in the geographic area involved.
- b. "Rate Basing" The Company pays federal income tax (FIT) and state income tax (SIT), if any, due on the receipt of an Advance in Aid of Construction (AIAC) or a Contribution in Aid of Construction (CIAC) in accordance with the Tax Reform Act of 1986 (TRA-86), as amended. Tax paid is included in the Deferred

RULE NO. 5 (continued) MAIN EXTENSION AGREEMENTS

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Income Tax Account and is used in the calculation of rate base. This amount is reduced by the effect of tax depreciation received for AIAC/CIAC plant and tax deductions resulting from refunds of AIAC.

- c. "Full Gross Up" Utility requires contributor/advancer to pay entire FIT/SIT plus a gross-up to reflect the tax on tax resulting from treating effected AIAC/CIAC payments as taxable income.
- 2. For construction or proposed construction which, in the judgment of the Company, will be utilized by ultimate customers of the Company in the near future, the Company shall account for the advances and/or contributions required by this Rule by "Rate Basing" them as defined in Paragraph D.1.b. No additional tax related amount should be required with the AIAC or CIAC.
- 3. For construction or proposed construction costs collected pursuant to tariff provisions, Commission Rules and Regulations, or orders, and which are subject to Paragraph D.4 the Company shall require contributor/advancer to provide funds necessary for Company to pay the state and federal tax obligations associated with the subject construction or proposed construction.
- 4. In the event the Company determines that the required construction, proposed construction or development fall within certain criteria, some of which are set forth below, Company may petition the Commission to authorize it to collect from the contributor/advancer funds sufficient to pay the "Full Gross Up" of the state and federal income taxes as defined in Paragraph D.1.c. Without intending to limit, examples of events which shall cause Company to require contributor/ advancer to advance the taxes as contemplated herein, are as follows:
 - a. The development or build-out of the project is remote or speculative; or
 - b. The size of the development, as compared to the size of the Company's customer base, represents undue risk for the Company; or
 - c. The size of the advance/contribution or its related cost is extraordinarily large relative to the Company's rate base or revenues; or
 - d. The public interest is better served by treating the advance/contribution as other than the "Rate Basing" methodology.

The Company must present sufficient evidence that its request to require "Full Gross Up" of taxes under this paragraph is in the public interest. The Commission may deny, alter, or amend the Company's petition for authorization to require "Full Gross Up".

- 5. In the event contributor/advancer is required by other tariff, agreement, rule or order to advance Facilities for the subject development, those AIAC/CIAC's shall be subject to the provisions of this Section D.
- 6. If, in the judgment of the Company based upon the specific development, tax or regulatory considerations, it is deemed inappropriate to utilize either the "Rate Basing" methodology, or the "Full Gross Up" methodology, the Company shall obtain specific Commission approval authorizing alternative treatment.
- 7. Paragraphs 1-7 of this Section of the Extension Rule shall apply to all refundable AIAC and CIAC agreements entered into on or after September 1, 1988, as well as to all prior AIAC and CIAC agreements performed in any manner after September 1, 1988.

RULE NO. 6 PROVISION OF SERVICE

ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

A. COMPANY RESPONSIBILITY

- 1. The Company shall be responsible for providing potable water to the customer's Point of Delivery.
- 2. The Company may, at its option, refuse service until the customer has obtained all required permits and/or inspections indicating that the customer's facilities comply with local construction and safety standards.

B. CUSTOMER RESPONSIBILITY

- 1. Each customer shall be responsible for maintaining all facilities on the customer's side of the Point of Delivery in a safe and efficient manner and in accordance with the rules of the Arizona Department of Health Services, and the prescribed specifications of the Company.
- 2. Each customer shall be responsible for safeguarding all Company property installed in or on the customer's premises for the purpose of supplying water to that customer.
- 3. Each customer shall exercise all reasonable care to prevent loss or damage to Company property, excluding ordinary wear and tear. The customer shall be responsible for loss of or damage to Company property on the customer's premises arising from neglect, carelessness, or misuse and shall reimburse the Company for the cost of necessary repairs and replacements.
- 4. Each customer shall be responsible for payment for any equipment damage resulting from unauthorized breaking of seals, interfering, tampering, or bypassing the Company meter.
- 5. The customer shall be responsible for notifying the Company of any failure identified in the Company's equipment.
- 6. Water furnished by this District shall be used only on the customer's premises and shall not be resold to any other person. During critical water conditions, as determined by the Commission, the customer shall use water only for those purposes specified by the Commission. Disregard of this rule shall be sufficient cause for refusal or discontinuance of service.
- The customer agrees, when accepting service, that no one except Company employees or persons authorized by the Company shall be allowed to operate, remove or replace any Company owned equipment installed on customer's property.
- 8. No person, except an employee or persons acting on behalf of the Company shall alter, remove or make any connection to the Company's meter or service equipment.
- 9. No meter seal may be broken or removed by anyone other than an employee or person acting on behalf of the Company. However, the Company may give its prior consent to break the seal by an approved plumber employed by a customer when deemed necessary by the Company.

ISSUED: September 15, 2015

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EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 6 (continued) PROVISION OF SERVICE

- 10. The customer will be held responsible for any broken seals, tampering, or interfering with the Company's meter(s) or any other Company owned equipment installed on the customer's premises. In cases of tampering with meter installations, interfering with the proper working thereof, or any such tampering, interfering, theft, or service diversion, including the falsification of customer's meter readings, that customer shall be subject to immediate discontinuance of service. The Company shall be entitled to collect from the current customer under the appropriate rate, for all consumption not recorded on the meter as the result of such tampering, or other theft of service, and also any additional security deposits as well as all expenses incurred by the Company for property damages, investigation of the illegal act, and all legal expenses and court costs, if necessary.
- 11. The customer will be held liable for any loss or damage occasioned or caused by the customer's negligence, want of proper care or wrongful act or omission on the part of any customer's agents, employees, licenses, or contractors.

C. CONTINUITY OF SERVICE

The Company shall make reasonable efforts to supply a satisfactory and continuous level of service. However, the Company shall not be responsible for any damage or claim of damage attributable to any interruption or discontinuation of service resulting from:

- a. Any cause against which the Company could not have reasonably for seen or made provision for, i.e., force majeure.
- b. Intentional service interruptions to make repairs or perform routine maintenance.
- c. Curtailment

D. SERVICE INTERRUPTIONS

- 1. The Company shall make reasonable efforts to reestablish service within the shortest possible time when service interruptions occur.
- 2. The Company shall make reasonable provision to meet emergencies resulting from failure of service, and shall issue instructions to its employees covering procedures to be followed in the event of emergency in order to prevent or mitigate interruption or impairment of service.
- 3. In the event of a national emergency or local disaster resulting in disruption of normal service, the Company may, in the public interest, interrupt service to other customers to provide necessary service to civil defense or other emergency service agencies on a temporary basis until normal service to these agencies can be restored.
- 4. When the Company plans to interrupt service for more than four (4) hours to perform necessary repairs or maintenance the Company shall attempt to inform affected customers at least twenty-four (24) hours in advance of the scheduled date and estimated duration of the service interruption. Such repairs shall be completed in the shortest possible time to minimize the inconvenience to the customers.

ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY:

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RULE NO. 6 (continued) PROVISION OF SERVICE

5. The Commission shall be notified of interruptions in service affecting the entire system or any major division thereof. The interruption of service and cause shall be reported within four (4) hours after the responsible representative of the Company becomes aware of said interruption, by telephone to the Commission, and followed by a written report to the Commission.

E. MINIMUM DELIVERY PRESSURE

The Company shall maintain a minimum standard delivery pressure of 20 pounds per square inch gauge (PSIG) at the customer's meter or Point of Delivery.

F. CONSTRUCTION STANDARDS

The Company shall construct or cause to be constructed all facilities in accordance with the guidelines established by the Arizona Department of Environmental Quality or its successors, delegate or any other governmental agency having jurisdiction thereof, and the Company. Phased construction is acceptable.

G. ELECTION OF RATE SCHEDULES

The Company shall use its best efforts to select the most favorable rate for which the customer is eligible based on available data at the time of application. The Company shall use its best efforts for notifying the customer of the most favorable rate schedule if the class has changed after initial application, and shall not be required to refund the difference in charge under different rate schedules. Upon written application of any material changes in the customer installation, the Company will assist in determining if a change in rate schedule is desirable.

ISSUED: September 15, 2015 EFFECTIVE: September 1, 2015 Month Day Year Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

Paradise Valley Water District

(Name of Service Area)

RULE NO. 7 METER READING

A. FREQUENCY

Each meter shall be read monthly or as close to the same day of each month as practicable unless otherwise approved by the Commission.

B. MEASURING OF SERVICE

- 1. All water delivered by the Company shall be billed upon the basis of metered volume sales, except that the Company may, at its option, provide a fixed charge for the following:
 - a. Temporary service where the water use can be readily estimated.
 - b. Public and private fire protection service.
 - c. Water used for street sprinkling and sewer flushing, when provided for by contract between the Company and the municipality or other local governmental authority.
 - d. Other fixed charge schedules as shall be submitted to and approved by the Commission.
- 2. When there is more than one meter at a location, the metering equipment shall be so tagged or plainly marked as to indicate tie facilities being metered.

C. CUSTOMER REQUESTED REREADS

- 1. The Company shall at the request of the customer reread the customer's meter within ten (10) working days after such request by the customer.
- 2. Any rereads shall be charged to the customer at the rate on file and approved by the Commission, provided that the original reading was not in error. Adjustment for reasonable usage since the original reading was taken shall be considered when determining the original reading.
- 3. When the original reading is found to be in error, the re read shall be at no charge to the customer, given adjustment for reasonable usage since the original reading was taken.

D. ACCESS TO CUSTOMER PREMISES

The Company shall at all times have the right of safe ingress to and egress from the customer's premises at all reasonable hours for any purpose reasonably connected with the Company's property used in furnishing service and the exercise of any and all rights secured to it by law or these rules.

ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 7 (continued) METER READING

- E. METER TESTING AND MAINTENANCE PROGRAM.
 - 1. The Company shall establish a regular program of meter testing taking into account the following factors:
 - a. Size of meter
 - b. Age of meter
 - c. Consumption
 - d. Characteristics of water
- F. CUSTOMER REQUESTED METER TESTS

The Company shall test a meter upon customer request, and shall be authorized to charge the customer for such meter test according to the tariff on file and approved by the Commission. However, if the meter is found to over register by more than three percent (3%), no meter-testing fee will be charged to the customer.

ISSUED: September 15, 2015

015 EFFECTIVE: September 1, 2015

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ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 8 BILLING AND COLLECTION

A. FREQUENCY AND ESTIMATED BILLS

- 1. The Company shall bill monthly for services rendered. Meter readings shall be scheduled for periods of not less than twenty-five (25) days or more than thirty-five (35) days, unless otherwise approved by the Commission.
- 2. If the Company is unable to read the meter on a scheduled meter read date, it will estimate the consumption for the billing period giving consideration to the following factors when applicable:
 - a. The customer's usage during the same month of the previous year.
 - b. The amount of usage during the preceding month.
- After the second consecutive month of estimating the customer's bill for reasons other than severe weather or standard billing practice as approved by the Commission, the Company will attempt to secure an accurate reading of the meter.
- 4. Failure on the part of the customer to comply with a reasonable request by the Company for access to its meter may lead to the termination of service.
- 5. Estimated bills will be issued only under the following conditions:
 - a. Failure of a customer who reads his own meter to deliver his meter reading card to the Company in accordance with the requirements of the Company's billing cycle.
 - b. Severe weather conditions that prevent the Company from reading the meter.
 - c. Circumstances that make it dangerous or impossible to read the meter, i.e., locked gates, blocked meters, vicious or dangerous animals, etc.
 - d. Other billing cycles as approved by the Commission.
- 6. Each bill based on estimated usage will indicate that it is an estimated bill.

B. COMBINING METERS, MINIMUM BILL INFORMATION

- 1. Each meter at a customer's premises will be considered separately for billing purposes, and the readings of two or more meters will not be combined.
- 2. Each bill for residential service will contain the following minimum information:
 - a. Date and meter reading at the end of the actual or estimated billing period.
 - b. Previous month's actual or estimated meter reading and date.

ISSUED: September 15, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 8 (continued) BILLING AND COLLECTION

- c. Billing usage.
- d. Company telephone number.
- e. Customer's name.
- f. Service account number.
- g. Amount due and terms of payment.
- h. Past due amount where appropriate.
- i. Adjustment factor, where applicable.
- j. Privilege, sales or use tax, or any regulatory assessment applicable.
- k. Other approved tariff charges.

C. BILLING TERMS

- 1. All bills for services are due and payable when rendered. All bills not paid within fifteen (15) days shall be considered delinquent.
- 2. For purposes of this rule, the date a bill is rendered may be evidenced by:
 - a. The postmark date.
 - b. The mailing date.
- 3. All delinquent bills shall be subject to the provisions of the Company's termination procedures.
- 4. All payments shall be made at offices of the Company or designated payment stations, or to the address shown on the bill form.
- D. APPLICABLE TARIFFS, PREPAYMENT, FAILURE TO RECEIVE, COMMENCEMENT DATE, TAXES
 - 1. Each customer shall be billed under the applicable tariff indicated in the customer's application for service.
 - 2. The Company shall make provisions for advance payment for services.
 - 3. Failure to receive bills or notices that have been properly placed in the United States mail shall not prevent such bills from becoming delinquent nor relieve the customer of his obligations therein.
 - 4. Charges for service commence when the service is installed and connection made, whether used or not.
 - 5. In addition to the collection of regular rates, the Company may collect from its customers a proportionate share of any privilege, sales or use tax, or other imposts based on the gross revenues received by the Company.

ISSUED: September 15, 2015 EFFECTIVE: September 1, 2015 Month Day Year Month Day Year

ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 8 (continued) BILLING AND COLLECTION

E. METER ERROR CORRECTIONS

- 1. If any meter after testing is found to be more than three percent (3%) in error, either fast or slow, proper correction between three percent (3%) and the amount of the error shall be made of previous readings, and adjusted bills shall be rendered according to the following terms:
 - a. For the period of three (3) months immediately preceding the removal of such meter from service for test or from the time the meter was in service since last tested, but not exceeding three (3) months since the meter shall have been shown to be in error by such test, or
 - b. From the date the error occurred, if the date of the cause can be definitely fixed.
- 2. The Company will make no adjustment, except to the customer last served by the meter tested.

F. INSUFFICIENT FUNDS (NSF) CHECKS

- 1. The Company shall be allowed to recover a fee, as approved by the Commission for each instance where the customer tenders payment for service with an insufficient funds check, and require a security deposit equal to that prescribed in Section B, provision 7 of Rule No. 2.
- 2. When the Company is notified by the customer's bank that there are insufficient funds to cover the check tendered for service, the Company may require the customer to make payment in cash, money order, certified check, or other means which guarantee the customer's payment to the Company.
- A customer who tenders an insufficient funds check shall in no way be relieved of the obligation to render payment to the Company under the original terms of the bill nor defer the Company's provision for termination of service for nonpayment of bills.
- 4. The Company will not accept personal checks if two (2) NSF checks have been received within a twelve-month period in payment of any billing.

G. DEFERRED PAYMENT PLAN

- 1. The Company may, prior to termination, offer to qualifying residential customers a deferred payment plan for the customer to retire unpaid bills for service.
- 2. Each deferred payment agreement, entered into in writing by the customer and the Company, due to the customer's inability to pay an outstanding bill in full shall provide that service will not be discontinued if:
 - Customer agrees to pay a reasonable amount of the outstanding bill at the time the parties enter into the deferred payment plan.
 - b. Customer agrees to pay all future bills for service in accordance with the billing and collection tariffs of the Company.

ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 8 (continued) BILLING AND COLLECTION

- c. Customer agrees to pay a reasonable portion of the remaining outstanding balance in installments over a period not to exceed six (6) months.
- 3. For the purpose of determining a reasonable installment payment schedule under these rules, the Company and the customer shall give consideration to the following conditions:
 - a. Size of the delinquent account.
 - b. Customer's ability to pay.
 - c. Customer's payment history.
 - d. Length of time that the debt has been outstanding.
 - e. Circumstances that resulted in the debt being outstanding.
 - f. Any other relevant factors related to the circumstances of the customer.
- 4. Any customer who desires to enter into a deferred payment agreement shall establish such agreement prior to the Company's scheduled termination date for nonpayment of bills. A customers' failure to execute a deferred payment agreement prior to the scheduled termination date shall not prevent the Company from terminating service for nonpayment.
- 5. Deferred payment agreements shall be in writing and signed by the customer and an authorized Company representative
- 6. A deferred payment agreement may include a finance charge as approved by the Commission in a tariff proceeding,
- 7. If a customer has not fulfilled the terms of a deferred payment agreement, the Company shall have the right to disconnect service pursuant to this District's termination of service rules-and, under such circumstances, it shall not be required to offer subsequent negotiation of a deferred payment agreement prior to termination.

H. LATE PAYMENT PENALTY

- 1. The Company may include in its tariffs a late payment penalty that may be applied to delinquent bills.
- 2. The amount of the late payment penalty shall be indicated upon the customer's bill when rendered by the Company.
- 3. In the absence of an approved tariff, the amount of the late payment penalty shall not exceed 1 ½% per month of the delinquent bill, applied on a monthly basis.

ISSUED: September 15, 2015

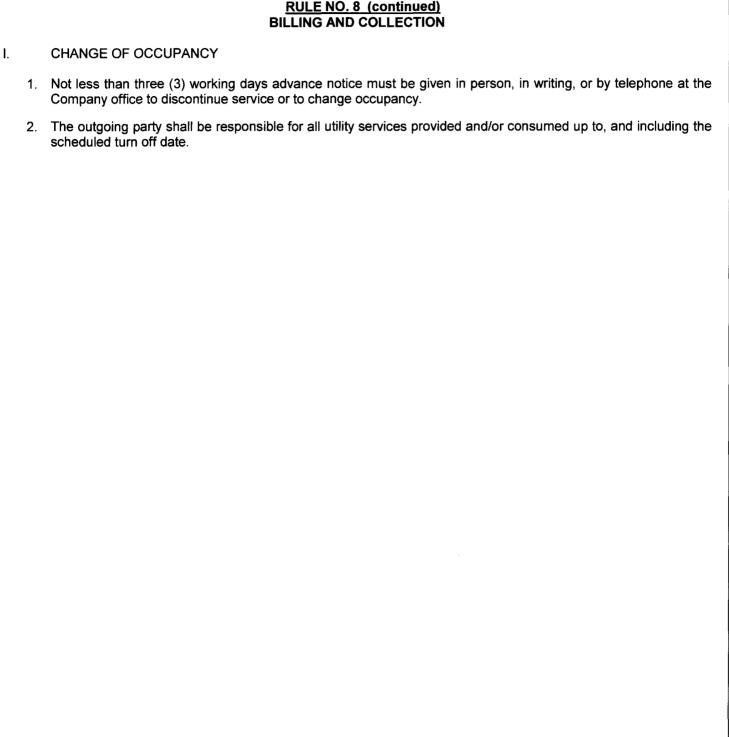
Month Day Year

EFFECTIVE: September 1, 2015

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RULE NO. 8 (continued)



ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015 Month Day Year

ISSUED BY:

Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates

Paradise Valley Water District

(Name of Service Area)

RULE NO. 9 TERMINATION OF SERVICE

A. NONPERMISSIBLE TERMINATION OF SERVICE

The Company may not disconnect service for any of the reasons stated below:

- a. Delinquency in payment for services rendered to a prior customer at the premises where service is being provided, except in the instance where the prior customer continues to reside on the premises.
- b. Failure of the customer to pay for services or equipment not regulated by the Commission.
- c. Nonpayment of a bill related to another class of water service.
- d. Failure to pay for a bill to correct a previous under billing due to a billing error, inaccurate meter reading or meter failure, if the customer and Company agree in writing to payment terms over a reasonable period of time.
- e. Disputed bills where the customer has complied with the Commission's rules and regulations.

B. TERMINATION OF SERVICE WITHOUT NOTICE

- 1. Company service may be disconnected without advance written notice under the following conditions:
 - a. The existence of an obvious hazard to the safety or health of the consumer, the general population, Company personnel or facilities.
 - b. The Company has evidence of meter fraud.
 - c. Unauthorized resale or use of utility services.
 - d. Failure of a customer to comply with the curtailment of procedures imposed by a utility during supply shortages.
- 2. The Company shall not be required to restore service until the conditions that resulted in the termination have been corrected to the satisfaction of the Company.
- 3. The Company shall maintain a record of all terminations of service without notice. This record shall be maintained for a minimum of one (1) year and shall be available for inspection by the Commission.

ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015

Month Day Year

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 9 (Continued) TERMINATION OF SERVICE

C. TERMINATION OF SERVICE WITH NOTICE

- 1. The Company may disconnect service to any customer for any reason stated below, provided the Company has met the notice requirements established by the Commission.
 - a. Customer violation of any of the Company's tariffs filed with the Commission and/or violation of the Commission's rules and regulations.
 - b. Failure of the customer to pay a delinquent bill for water service.
 - c. Failure to meet or maintain the Company's credit and deposit requirements.
 - d. Failure of the customer to provide the Company reasonable access to its equipment and property.
 - e. Customer breach of a written contract for service between the Company and customer.
 - f. When necessary for the Company to comply with an order of any governmental agency having such jurisdiction.
 - g. The Company may terminate water service to effect sewer service termination when it provides both services to the same customer upon the same premises.
- 2. The Company shall maintain a record of all terminations of service with notice. This record shall be maintained for one (1) year and be available for Commission inspection.

D. TERMINATION NOTICE REQUIREMENTS

- 1. The Company shall not terminate service to any of its customers without providing advance written notice to the customer of the Company's intent to disconnect service, except under those conditions specified where advance written notice is not required.
- Such advance written notice shall contain, at a minimum, the following information:
 - The name of the person whose service is to be terminated and the address where service is being rendered.
 - b. The Commission rule or regulation that was violated and explanation thereof or the amount of the bill which the customer has failed to pay in accordance with the payment policy of this District, if applicable.
 - c. The date on or after which service may be terminated.
 - d. A statement advising the customer to contact the Company at a specific address or phone number for information regarding any deferred payment or other procedures which the Company may offer or to work out some other mutually agreeable solution to avoid termination of the customer's service.

ISSUED: September 15, 2015 EFFECTIVE: September 1, 2015

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ISSUED BY: Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 9 (continued) TERMINATION OF SERVICE

e. A statement advising the customer that the Company's stated reason for the termination of service may be disputed by contacting the Company at a specified address and phone number, advising the Company of the dispute and making arrangements to discuss the cause for termination with a reasonable employee of the Company in advance of the scheduled date of termination. The responsible employee shall be empowered to resolve the dispute and the Company shall retain the option to terminate service after affording this opportunity for a meeting and concluding that the reason for termination is just and advising the customer of his right to file a complaint with the Commission.

E. TIMING OF TERMINATION WITH NOTICE

- 1. The Company shall be required to give at least ten (10) days advance notice prior to termination date.
- 2. Such notice shall be considered to be given to the customer when a copy thereof is left with the customer or posted first class in the United States mail, addressed to the customer's last known address.
- 3. If after the period of time allowed by the notice has elapsed and the delinquent account has not been paid nor arrangements made with the Company for the payment thereof or in the case of a violation of the Company's rules the customer has not satisfied the Company that such violation has ceased, the Company may then terminate service on or after the day specified in the notice without giving further notice.
- 4. An authorized representative of the Company may only disconnect Service in conjunction with a personal visit to the premises.
- 5. The Company shall have the right (but not the obligation) to remove any or all of its property installed on the customer's premises upon the termination of service.

F. LANDLORD/TENANT RULE

- 1. In situations where service is rendered at an address different from the mailing address of the bill or where the Company knows that a landlord/tenant relationship exists and that the landlord is a customer of the Company, and where the landlord as customer would otherwise be subject to disconnection of service, the Company may not disconnect service until the following actions have been taken:
 - a. Where it is feasible to so provide service, the Company, after providing notice as required in these rules, shall offer the occupant the opportunity to subscribe for service in his or her own name. If the occupant then declines to so subscribe, the Company may disconnect service pursuant to the rules.
 - b. The Company shall not attempt to recover from a tenant or condition service to a tenant with the payment of any outstanding bills or other charge due upon the outstanding account of the landlord.

ISSUED: September 15, 2015 EFFECT Month Day Year

EFFECTIVE: September 1, 2015

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ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

RULE NO. 10 ADMINISTRATIVE AND HEARING REQUIREMENTS

A. CUSTOMER SERVICE COMPLAINTS

- 1. The Company shall make full and prompt investigation of all service complaints made by its customers, either directly or through the Commission.
- 2. The Company shall respond to the complaint and/or the Commission representative within five (5) working days as to the status of the Company investigation of the complaint.
- 3. The Company shall notify the complainant and/or the Commission representative of the final disposition of each complaint. Upon request of the complainant or the Commission representative, the Company shall report the findings of its investigation in writing.
- 4. The Company shall inform the customer of his right of appeal to the Commission should the results of the Company's investigation prove unsatisfactory to the customer.
- 5. The Company shall keep a record of all written service complaints received which shall contain, at a minimum, the following data:
 - a. Name and address of complainant.
 - b. Date and nature of complaint.
 - c. Disposition of the complaint.
 - d. A copy of any correspondence between the Company, the customer, and/or the Commission.

This record shall be maintained for a minimum period of one (1) year and shall be available for inspection by the Commission.

ISSUED: September 15, 2015

EFFECTIVE: September 1, 2015

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ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

Paradise Valley Water Rules and Regulations

Paradise Valley Water District

(Name of Service Area)

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Rules and Regulations

Best Management Practices Tariff (cont.)

Best Management Practices Tariff (cont.)

13. Customer Water Consumption Information Sharing

Customer Water Consumption Information Sharing (cont.)

ACC No. 1 Thru ACC No. 34

Original - 12i Original - 12j

Original - 13

Original - 13a

40,001 - 80,000

Gallons

Over 80,000

Gallons

Commodity Rate (per 1,000 gallons)

\$3.3484 \$3.3484 \$3.3484 \$3.3484 \$3.3484

Paradise Valley Water District

(Name of Service Area)

GENERAL METERED SERVICE

15,001-40,000

Gallons

APPLICABILITY

Applicable to all water furnished to general metered customers on a metered basis.

TERRITORY

Portions of the City of Scottsdale and the Town of Paradise Valley and vicinity, Maricopa County.

5,001 - 15,000

Gallons

SCHEDULE OF CHARGES:

Monthly

Minimum

0 - 5,000

Gallons

Meter Size	Charge	Commodity Rate (per 1,000 gallons)	Commodity Rate (per 1,000 gallons)	Commodity Rate (per 1,000 gallons)	Commodity Rate (per 1,000 gallons)
Residential	1				
5/8-inch* Low Income	\$ 16.19	\$1.0800	\$1.2900	\$2.2700	\$2.8500
5/8-inch	\$ 26.98	\$1.0800	\$1.2900	\$2.2700	\$2.8500
3/4 inch	\$ 29.68	\$1.0800	\$1.2900	\$2.2700	\$2.8500
1-inch	\$ 50.90	\$1.0800	\$1.2900	\$2.2700	\$2.8500
1-1/2 -inch	\$ 91.63	\$1.0800	\$1.2900	\$2.2700	\$2.8500
2-inch	\$142.53	\$1.0800	\$1.2900	\$2.2700	\$2.8500
Residential		Tie	r One	Tie	er Two
		Commodity Rate (per 1,000 gallons)	First Tier (gallons)	Commodity Rate (per 1,000 gallons)	Second Tier (gallons)
3-inch	\$ 300.21	\$2.0100	0 - 400,000	\$2.4084	Over 400,000
4-inch	\$ 469.33	\$2.0100	0 - 400,000	\$2.4084	Over 400,000
6-inch	\$ 941.16	\$2.0100	0 - 400,000	\$2.4084	Over 400,000
8-inch	\$ 2,271.94	\$2.0100	0 - 400,000	\$2.4084	Over 400,000
10-inch	\$ 3,266.74	\$2.0100	0 - 400,000	\$2.4084	Over 400,000
12-inch	\$ 6,106.41	\$2.0100	0 - 400,000	\$2.4084	Over 400,000
Commercial			r One	Tier Two	
/ Industrial		Commodity Rate	First Tier	Commodity Rate	Second Tier
5/8-inch	\$ 26.98	(per 1,000 gallons) \$2.0100	(gallons)	(per 1,000 gallons)	(gallons)
3/4-inch	\$ 29.68	\$2.0100	0 - 400,000	\$2.4084	Over 400,000
1-inch	\$ 50.90	\$2.0100	0 - 400,000	\$2.4084	Over 400,000
1-1/2-inch	\$ 91.63	\$2.0100	0 - 400,000 0 - 400,000	\$2.4084 \$2.4084	Over 400,000
2-inch	\$ 142.53	\$2.0100	0 - 400,000	\$2,4084	Over 400,000
3-inch	\$ 300.21	\$2.0100	0 - 400,000	\$2,4084	Over 400,000 Over 400,000
4-inch	\$ 469.33	\$2.0100	0 - 400,000	\$2,4084	Over 400,000
6-inch	\$ 941.16	\$2.0100	0 - 400,000	\$2.4084	Over 400,000 Over 400,000
8-inch	\$ 2,271.94	\$2.0100	0 - 400,000	\$2,4084	Over 400,000
10-inch	\$ 3,266.74	\$2.0100	0 - 400,000	\$2.4084	Over 400,000
12-inch	\$ 6,106.41	\$2.0100	0 - 400,000	\$2.4084	Over 400,000
12-IIICII	φ0,100.41	\$2.0100	0 - 400,000	\$2.4084	Over 400,000

^{*} The low income surcharge of \$0.0084 will be added to the highest block commodity rate (residential, apartment, individual and commercial customers only), and will change upon the Company's annual reconciliation of number of participants and top tier usage.

(continued)

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015

Month Day Year

ISSUED BY:

Month Day Year
Sheryl L. Hubbard, Director, Regulatory & Rates

GENERAL METERED SERVICE

	<u> </u>			
Meter Size	Monthly Minimum Charge	Commodity Rate (per 1,000 gallons)		
Turf			odity Rate	
		(per 1,0	00 gallons)	
5/8-inch	\$ 26.98	\$1.7400	Infinite	
¾ inch	\$ 29.68	\$1.7400	Infinite	
1-inch	\$ 50.90	\$1.7400	Infinite	
1-1/2 -inch	\$ 91.63	\$1.7400	Infinite	
2-inch	\$ 142.53	\$1.7400	Infinite	
3-inch	\$ 300.21	\$1.7400	Infinite	
4-inch	\$ 469.33	\$1.7400	Infinite	
6-inch	\$ 941.16	\$1.7400	Infinite	
8-inch	\$ 2,271.94	\$1.7400	Infinite	
10-inch	\$ 3,266.74	\$1.7400	Infinite	
12-inch	\$ 6,106.41	\$1.7400	Infinite	
Other Public		· ·		
Authority				
5/8-inch	\$ 26.98	\$2.0100	Infinite	
3/4 inch	\$ 29.68	\$2.0100	Infinite	
1-inch	\$ 50.90	\$2.0100	Infinite	
1-1/2 -inch	\$ 91.63	\$2.0100	Infinite	
2-inch	\$ 142.53	\$2.0100	Infinite	
3-inch	\$ 300.21	\$2.0100	Infinite	
4-inch	\$ 469.33	\$2.0100	Infinite	
6-inch	\$ 941.16	\$2.0100	Infinite	
8-inch	\$ 2,271.94	\$2.0100	Infinite	
10-inch	\$ 3,266.74	\$2.0100	Infinite	
12-inch	\$ 6,106.41	\$2.0100	Infinite	
PV Country Club	Monthly			
	Minimum	Commo	dity Rate	
	Charge	(per 1,000 gallons)		
6-inch	\$ 799.99	\$1.4790	Infinite	

(continued)

ISSUED:

September 15, 2015

EFFECTIVE:

<u>September 1, 2015</u>

ISSUED BY:

Month Day Year

Month Day Year

Sheryl L. Hubbard, Director, Regulatory & Rates
2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

GENERAL METERED SERVICE

TERMS AND CONDITIONS:

- 1. Commercial customers are defined to be all non-residential general metered customers who do not fit into the definitions of Turf, Resale, or Paradise Valley Country Club customers.
- 2. Turf customers are defined as those customers who own or operate a turf-related facility, subject to a water allotment established by the Arizona Department of Water Resources.
- 3. Resale customers are defined as those customers who purchase water for distribution and sale to other persons.
- 4. In addition to the collection of its regular rates and charges, the Company shall collect from its customers their proportionate share of any privilege, sales or use tax or other imposition or fee levied upon the utility service furnished by the Company.
- 5. A 1-1/2% late payment penalty charge will be applied to account balances not paid within 30 days after the postmark date of the bill.
- 6. Low Income Program Monthly Low Income Credit of \$10.91 is available in the Paradise Valley Water district bringing the basic service charge down from \$27.27 to \$16.36. Requires the completion of a Low Income Program Application. Program is restricted to the first 1,000 eligible residential customers on 5/8 x 3/4 inch meters in the Paradise Valley Water district. Applicants must swear that he/she has annual income below the threshold. The threshold is below 150% of the federal low income guidelines as periodically revised. Applicant may not be claimed as a dependent on another person's tax return. Applicant must reapply each time moving residences. Refusal or failure to provide acceptable documentation of eligibility, upon request, shall result in removal from the low income program. Rebilling of customers under the otherwise applicable rate schedule may occur for periods of ineligibility previously billed under the low income tariff. Annual income means the value of all money and non-cash benefits available for living expenses, from all sources, both taxable and non-taxable, before deductions, for all people who live with the applicant.

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015

Month Day Year

ISSUED BY: Shervi

Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year

PRIVATE FIRE PROTECTION SERVICE

APPLICABILITY

Applicable to all water service rendered for privately owned fire protection systems.

TERRITORY

Portions of the City of Scottsdale and the Town of Paradise Valley, and vicinity, Maricopa County.

MONTHLY SERVICE CHARGE FOR FIRE SPRINKLER

\$10.00 per month.

SPECIAL CONDITIONS

- The fire protection service and connection shall be installed by the Utility or under the Utility's direction.
 The cost of the entire installation excluding the connection at the main shall be paid for by the applicant.
 Such payment shall not be subject to refund.
- 2. The installation housing, the detector type check valve and meter and appurtenances thereto shall be in a location mutually agreeable to the applicant and the Utility. Normally such installation shall be located on the premises of the applicant, adjacent to the property line. The expense of maintaining the fire protection facilities on the applicant's premises (including the vault, meter detector type check valves, backflow device and appurtenances) shall be paid for the by applicant.
- 3. All facilities paid for by the applicant shall be the sole property of the applicant. The Utility and its duly authorized agents shall have the right to ingress to and to egress from the premises for all purposes relating to said facilities.
- 4. The minimum diameter will be four inches, and the maximum diameter will be the diameter of the main to which service is connected.

(continued)

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015 Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year

PRIVATE FIRE PROTECTION SERVICE

SPECIAL CONDITIONS (continued)

- 5. If a distribution main of adequate size to serve a private fire protection service in addition to all other normal services does not exist in the street, easement or right-of-way adjacent to the location to be served, then a main from the nearest existing main of adequate capacity shall be installed by the utility, or under the utility's direction, and the cost paid by the applicant. Such payment shall not be subject to refund.
- 6. Service hereunder is limited to private fire protection systems; connections for purposes other than fire protection purposes are not allowed. All facilities are to be installed according to the Utility's specifications and maintained to the Utility's satisfaction. The Utility may require the installation of a backflow prevention device and a standard detector type meter approved by the Insurance Services Office for protection against theft, leakage or waste of water.
- 7. No structure shall be built over the fire protection service and the customer shall maintain and safeguard the area occupied by the service from traffic and other hazardous conditions. The customer will be responsible for any damage to the fire protection service facilities.
- 8. Subject to the approval of the Utility, any change in the location or construction of the fire protection service as may be requested by public authority of the customer will be made by the Utility following payment to the Utility for the entire cost of such change.
- 9. In the event of any unauthorized use of water other than fire protection purposes, charges shall be made therefore at the regular established rate for Resale Metered Service, and/or may be grounds for the utility disconnecting the fire protection service without liability to the Utility.
- 10. In addition to the collection of its regular rates and charges, the Company shall collect from its customers their proportionate share of any privilege, sales or use tax or other imposition or fee levied upon the utility service furnished by the Company.
- 11. A 1-1/2% late payment penalty charge will be applied to account balances not paid within 30 days after the postmark date of the bill.

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year

Paradise Valley Water District

(Name of Service Area)

CAP EXPENSE RECOVERY SURCHARGE

APPLICABILITY

Applicable to all customers of Paradise Valley Water District.

TERRITORY

Portions of the City of Scottsdale and the Town of Paradise Valley, and vicinity, Maricopa County.

RATES

Surcharge Rate:

Per Customer

0.97 per year

SPECIAL CONDITIONS:

- The Company is authorized to recover \$118,436.00 over twenty-five years (ending 2020) via a once a year surcharge applicable to all customer billings in January of each year.
- The surcharge amount per customer is based on customers of record as of December 1, of each year.
- The Company had 4,880 customers as of December 1, 2014. 3.
- The surcharge will appear on each customer bill as a separate charge

ISSUED:

January 31, 2015

EFFECTIVE:

March 31, 2015

Month

Month Day Year

nth Day Year Month
Sheryl L. Hubbard, Director, Regulatory & Rates ISSUED BY: 2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

CAP SURCHARGE

APPLICABILITY

Applicable to all customers of Paradise Valley Water District except Sales for Resale.

TERRITORY

Portions of the City of Scottsdale and the Town of Paradise Valley, and vicinity, Maricopa County.

RATES

Surcharge Rate:

Residential Customers:

Per Customer

In excess of 45,000 gallons.....

0.2055 per 1,000 gallons *

All Non-Residential Customers except Sale for Resale Customers:

For all usage.....

\$ 0.2055 per 1,000 gallons *

SPECIAL CONDITIONS:

- 1. The Company is authorized to recover CAP related costs based on its CAP allocation of 3,231 AF.
- 2. Total annual CAP costs will be determined by summing: a) annual Municipal & Industrial (M & I) water service charges, b) monthly M & I operations, maintenance and replacement (OM&R) costs, c) Tonopah Desert Recharge Project costs, d) annual production cost savings, e) the overcollected or undercollected surcharge from the previous twelve months period, and f) amortization over 5 years of deferred CAP M & I water service capital charges.
- 3. The Company will annually file with the Commission by January 31 the proposed annual CAP surcharge for the current calendar year. The filing shall contain all documentation to support the proposed surcharge.
- 4. The annual CAP surcharge will be calculated based on the historic consumption of the applicable customers from the previous twelve months.
- 5. The revised CAP surcharge will be effective on March 1 of each year.
- 6. Total deferred CAP costs of \$533,115 as of 12/31/99 will be amortized over a period of 5 years.
- 7. Collection of the CAP surcharge will not generate a positive operating income to Paradise Valley Water Company. It is intended only to recover CAP related costs.
- The CAP surcharge will appear on each applicable customer bill as a separate charge.

ISSUED:

January 31, 2015

Day Year

Month

EFFECTIVE:

March 31, 2015 Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. Administratively Approved

^{*} Rate consists of \$0.0139 per 1,000 gallons of usage to recover the under collection of prior years' surcharge and \$0.1916 per 1,000 gallons of usage for the collection of current annual CAP charges.

	RESERVED	
ISSUED:	EFFECTIVE:	Month Day Year
ISSUED B1.	Decision No	

	RESER	VED	
ISSUED: ISSUED BY:	Month Day Year	EFFECTIVE:	onth Day Year
	Decision No.		

	RESERVED	
ISSUED:	EFFECTIVE:	

ISSUED:			EFFECTIVE:		
ISSUED BY:	Month Day Y	'ear		Month	Day Year
	Decision	No.			

Paradise Valley Water District

(Name of Service Area)

SERVICE CHARGES

APPLICABILITY

Applicable to all establishment, re-establishment and reconnection charges, meter testing fees, non-sufficient fund checks, re-reading meters, deposit and deposit interest and deferred payments.

Establishment or Re-establishment of Service	\$35.00
Reconnection of Service (Delinquent)	\$35.00
Meter Test (If Correct)	\$35.00
Meter Reread (If Correct)	\$25.00
Deposit Requirement (Residential)	(a)
Deposit Requirement (non-res. Meter)	(a)
Deposit Interest	(a)
NSF Check	\$25.00
Deferred Payment, Per Month	1.5%
Late Charge, Per Month	1.5%
After Hours Service Charge (b)	\$35.00

- (a) Per Commission Rules (R14-2-403.B)
- (b) After Hours Service: After regular working hours, on Saturdays, Sundays or holidays if the customer's request.

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of any privilege, sales, use and franchise tax. Per Commission Rule 14-2-409(D)(5).

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015

Month Day Year

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

	RESEF	RVED		
ISSUED:	Month Day Year	EFFECTIVE: _	Month Day Year	
ISSUED BY:	Decision No	·		

SERVICE LINE & METER INSTALLATION CHARGES

APPLICABILITY

Applicable to all new service line and meter installations.

TERRITORY

Portions of the City of Scottsdale and the Town of Paradise Valley and vicinity, Maricopa County.

RATES

Prior to installing new services the customer shall pay the Company a service installation charge in accordance with the following schedule.

Meter and Service Line	Service Line	Meter Installation	
Installation Charges	<u>Charge</u>	Charge	Total Charge
5/8" x 3/4" Meter	\$445.ŌO	\$155.00	\$600.00
3/4" Meter	\$445.00	\$255.00	\$700.00
1" Meter	\$495.00	\$315.00	\$810.00
1 1/2" Meter	\$550.00	\$525.00	\$1,075.00
2" Meter	\$830.00	\$1,045.00	\$1,875.00
3" Meter	Cost	Cost	Cost
4" Meter	Cost	Cost	Cost
6" Turbine Meter	Cost	Cost	Cost
6: or Larger	Cost	Cost	Cost

CONDITIONS

- 1. An applicant for service shall be responsible for the cost of installing all customer piping up to the meter.
- 2. The above total charge is refundable to the applicant by an annual credit of one-tenth of the amount received, said credit to be applied upon the water bill rendered in November of each year until fully paid, for each service and meter for which the advance was made, and said credit to commence the month of November for all such advances received during the preceding year.
- 3. In addition to the collection of its regular rates and charges, the Company shall collect from its customers their proportionate share of any privilege, sales or use tax or other imposition or fee levied upon the utility service furnished by the Company.
- 4. All advances and/or contributions are to include labor, materials, overheads, and all applicable taxes, including all gross-up taxes for income taxes, if applicable.

ISSUED:

September 15, 2015

Month Day Year

EFFECTIVE:

September 1, 2015

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

BACKFLOW/ CROSS-CONNECTION TARIFF

APPLICABILITY

All customers served by Paradise Valley Water Company

TERRITORY

Portions of the City of Scottsdale and the Town of Paradise Valley, and vicinity, Maricopa County.

PURPOSE

To protect the public water supply from the possibility of contamination caused by backflow through unprotected cross-connections by requiring installation and periodic testing of backflow-prevention assemblies pursuant to provisions of Arizona Administrative Code (A.A.C.) R14-2405.B.6 and A.C.C. R18-4-232.

BACKFLOW/CROSS-CONNECTION CONDITIONS:

In compliance with the rules and regulations of the Arizona Corporation Commission and the Arizona Department of Environmental Quality (ADEQ), specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-232 relating to backflow prevention:

- Paradise Valley Water Company may require a customer to pay for and install a backflow-prevention assembly if A.A.C. R18-4-232.B or C applies.
- 2. A backflow-prevention assembly required to be installed by the customer under paragraph 1 of this tariff shall comply with the requirements set forth in A.A.C. R18-4-232.D and E.
- Subject to the provisions of A.A.C. R14-2-407 and 410 and in accordance with paragraphs 1 and 7 of this tariff, Paradise Valley Water Company my terminate service or deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.
- 4. Paradise Valley Water Company shall give any existing customer who is required to install a backflow-prevention assembly written notice of said requirement. If A.A.C. R14-2-410.B1.a. is not applicable, the customer shall be given thirty (30) days in which to comply with this notice. If the customer can show good cause as to why he cannot install the device within thirty (30) days, Paradise Valley Water Company or Commission Staff may suspend this requirement for a reasonable period of time.

(continued)

ISSUED:

August 1, 1999 Month Day Year EFFECTIVE:

August 1, 1999 Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

BACKFLOW/ CROSS-CONNECTION TARIFF

BACKFLOW/ CROSS-CONNECTION CONDITIONS (continued):

- 5. Testing shall be in conformance with the requirements of A.A.C. R18-4-232F. Paradise Valley Water Company may require the customer to pay to have the backflow-prevention assembly tested as long as the Company does not require an unreasonable number of tests. Paradise Valley Water Company may also require the customer to pay for repairs to a backflow-prevention assembly.
- 6. The customer shall provide Paradise Valley Water Company with records of installation and testing. For each backflow-prevention assembly, these records shall include:
 - a. assembly identification number and description;
 - b. location;
 - c. date(s) of test(s);
 - d. description of repairs and recommendations for repairs made by tester; and
 - e. the tester's name and certificate number.
- 7A. In the event the backflow-prevention assembly does not function properly or fails any test, and a hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, Paradise Valley Water Company may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested before service is restored.
- 7B. In the event the backflow-prevention assembly does not function properly or fails any test, or in the event that a customer fails to comply with the testing requirement, and A.A.C. R14-2-410.B.1.a. is <u>not</u> applicable, the backflow-prevention assembly shall be repaired or replaced within fourteen (14) days of the initial discovery of the deficiency in the assembly or its function. Failure to remedy the deficiency or disjunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

ISSUED:

August 1, 1999

EFFECTIVE:

August 1, 1999

ISSUED BY:

Month Day Year Mor Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year

CURTAILMENT PLAN FOR PARADISE VALLEY WATER DISTRICT

(Template 063004)

ADEQ Public Water System No: 04-07-099

<u>EPCOR Water Arizona, Inc.</u> ("Company"), is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

<u>Restrictions</u>: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

<u>Restrictions</u>: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

(continued on next page)

ISSUED:

October 24, 2007

EFFECTIVE:

October 24, 2007 Month Day Year

ISSUED BY:

Month Day Year
Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. 69983 (Administratively Approved)

CURTAILMENT TARIFF

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Stage 3 Exists When:

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

<u>Restrictions:</u> Under Stage 3, Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

- Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
- 2. Beginning with Stage 3, Company shall post at least two (2) signs showing the curtailment stage. Signs shall be posted at the well and/or pump sites located within the Paradise Valley Water District.
- 3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

(continued on next page)

ISSUED:

October 24, 2007

EFFECTIVE:

October 24, 2007

ISSUED BY:

Month Day Year Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year

2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. 69983 (Administratively Approved)

CURTAILMENT TARIFF

Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 25 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

<u>Restrictions:</u> Under Stage 4, Company shall inform the customers of a mandatory restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- Washing of any vehicle is prohibited
- ♦ The use of water for dust control or any outdoor cleaning uses is prohibited
- The use of drip or misting systems of any kind is prohibited
- The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- ♦ The use of construction water is prohibited
- Restaurant patrons shall be served water only upon request
- Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

Notice Requirements:

- Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
- 2. Beginning with Stage 4, Company shall post at least three (3) signs showing the curtailment stage. Signs shall be posted at the well and/or pump sites located within the Paradise Valley Water District
- 3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

(continued on next page)

ISSUED:

October 24, 2007

Month Day Year

EFFECTIVE:

October 24, 2007

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

CURTAILMENT TARIFF

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply within two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

ISSUED:

October 24, 2007 Month Day Year EFFECTIVE:

October 24, 2007
Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. 69983 (Administratively Approved)

(623) 445-2416 (Water Conservation Phone)

Paradise Valley Water District (Name of Service Area)

<u>Local and/or Regional Messaging Program Tariff – BMP 1.1</u>

PURPOSE

A program for the Company to actively participate in a water conservation campaign with local or regional advertizing (Modified Non-Per Capita Conservation Program BMP Category 1: Public Awareness/Public Relations 1.1: Local and/or Regional Messaging Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company or designated representative shall actively participate in water conservation campaign with local and/or regional advertising.
- 2. The campaign shall promote ways for customers to save water.
- 3. The Company shall facilitate the campaign through one or more of the following avenues (not an all inclusive list):
 - a. Television commercials
 - b. Radio commercials
 - c. Websites
 - d. Promotional materials
 - e. Vehicle signs
 - f. Bookmarks
 - g. Magnets
- 4. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - a. A description of the messaging program implemented and program dates.
 - b. The number of customers reached (or an estimate).
 - c. Costs of Program implementation.

ISSUED:

February 21, 2012

Month Day Year

EFFECTIVE:

January 20, 2012

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

Original :	SHEET	NO.	<u>12a .</u>
	SHEET	NO.	

(623) 445-2416 (Water Conservation Phone)

Paradise Valley Water District (Name of Service Area)

Youth Conservation Education Program Tariff - BMP 2.2

PURPOSE

A program for the Company to promote water conservation by increasing students' understanding of water resources and the need to conserve (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.2: Youth Conservation Education Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company or designated representative shall work with schools in its service area to increase students' understanding of water resources and to promote water conservation.
- 2. The Company shall provide a combination of instructional assistance, education materials, teacher education, classroom presentations, and field trips to water related facilities.
- 3. The Company shall provide the following teacher resources.
 - a. Offer Project WET (Water Education for Teachers) workshops to teachers twice yearly. In lieu of Project WET the Company may market its Water Conservation Assembly Program to all schools within its service area. The Water Conservation Assembly Program will focus on teaching students about water resources and water conservation. The assembly itself will be an interactive water conservation discussion.
 - b. Provide free resource materials and information upon request.
 - c. Provide in-classroom presentations upon request.
- 4. The Company shall make available free take home educational materials for elementary school students.
- 5. The Company shall keep a record of the following information and make it available upon request.
 - a. A description of the youth conservation education process implemented.
 - b. The number of students reached (or an estimate).
 - c. A description of the written water conservation material provided free to students.
 - d. Costs of the Youth Conservation Education Program implementation.

ISSUED:

February 21, 2012

EFFECTIVE:

January 20, 2012

Month Day Year

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

Original	SHEET	NO.	12b.
_	SHEET	NO.	

(623) 445-2416 (Water Conservation Phone)

Paradise Valley Water District (Name of Service Area)

New Homeowner Landscape Information Tariff – BMP 2.3

PURPOSE

A program for the Company to promote the conservation of water by providing a landscape information package for the purpose of educating its new customers about low water use landscaping (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.3: New Homeowner Landscape Information).

REQUIREMENTS:

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. Upon establishment of water service the Company shall offer and make available upon request a free "Homeowner Landscape Packet" to each new customer in the Company's service area. The packet will include at a minimum: a cover letter describing the water conservation expectations for all customers in the Company's service area, applicable rate tariffs, a basic interior/exterior water saving pamphlet, xeriscape landscape information, a list of low water use trees, plants, shrubs, etc., watering guidelines, and a rain water harvesting pamphlet.
- 2. Upon customer request, the Company shall provide:
 - a. On-site consultations on low water use landscaping and efficient watering practices.
 - b. A summary of water saving options.
- 3. The Company shall keep a record of the number of packets provided to new customers and make it available to the Commission upon request.

ISSUED:

February 21, 2012

EFFECTIVE:

January 20, 2012

ISSUED BY:

Month Day Year

Month Day Year

Sheryl L. Hubbard, Director, Regulatory & Rates
2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Original	SHEET	NO.	12c .
_	SHEET	NO.	

(623) 445-2416 (Water Conservation Phone)

Paradise Valley Water District (Name of Service Area)

Xeriscape Demonstration Garden Tariff - BMP 2.4

PURPOSE

A program for the Company to install and maintain a water efficient demonstration garden for the purpose of educating its customer base on low water-use landscaping (Modified Non-Per Capita Conservation Program BMP Category 2: Conservation Education and Training 2.4: Xeriscape Demonstration Garden).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall design, construct and maintain a demonstration garden that shall include a large variety of low water use and native plants, shrubs and shade trees.
- 2. The demonstration garden shall include a walkway throughout the site and include interpretive signage and literature about low water use plants and water efficient landscape techniques.
- 3. The demonstration garden shall be open, free of charge, to the public during normal business hours and every Saturday of each month.
- 4. Maps providing driving directions to the demonstration garden shall be available at the Company office, on the Company web-site, and the Company shall notify each customer through bill inserts or text messages of the demonstration garden.
- 5. The Company shall work with the schools, including the universities, to continually upgrade the site with additional technologies and techniques.

ISSUED:

February 21, 2012

EFFECTIVE:

January 20, 2012

Month Day Year

ISSUED BY:

Month Day Year

Sheryl L. Hubbard, Director, Regulatory & Rates

(623) 445-2416 (Water Conservation Phone)

Paradise Valley Water District (Name of Service Area)

Residential Audit Program Tariff - BMP 3.1

PURPOSE

A program for the Company to promote water conservation by providing customers with information on performing water audits to determine conservation opportunities at their residence (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.1: Residential Audit Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall offer self-audit information.
- 2. The Company or designated representative shall provide all customers that request them with a self–audit kit.
- 3. The kit shall include detailed instructions and tools for completing the water audit including information on how to check their water meter. The audit kit shall include but not be limited to information on checking the following components: irrigation system, pool, water features, toilets, faucets and shower.
- 4. If requested, the Company shall assist the customer in a self-water audit and assist the customer in determining what might be causing high water usage as well as supply customer with information regarding water conservation and landscape watering guidelines. As part of the water audit, and if requested to do so by the customer, the Company shall confirm the accuracy of the customer meter (applicable meter testing fees shall apply).
- 5. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - a. A description of the water conservation material provided in the kit.
 - b. The number of kits provided to customers.
 - c. Implementation costs of the Residential Audit Program.

ISSUED:

February 21, 2012

EFFECTIVE:

January 20, 2012

ISSUED BY:

Month Day Year

Month Day Year

Sheryl L. Hubbard, Director, Regulatory & Rates
2355 W. Pinnacle Peak Rd., Suite 300, Phoenix, AZ 85027

Decision No. 72741

(623) 445-2416 (Water Conservation Phone)

Paradise Valley Water District (Name of Service Area)

Residential Interior Retrofit Program Tariff – BMP 3.4

PURPOSE

A program for the Company to promote water conservation by providing residential customers free or low cost plumbing fixtures for their residence (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.4: Residential Interior Retrofit Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 2. The Company or designated representative shall provide to residential customers that request them that live in homes built prior to the adoption of the 1990 Uniform Plumbing Code free or low cost low water use fixtures such as faucets, faucet aerators, low flow shower heads, toilets and toilet dams. The Company must offer the fixtures/fixture retrofits to all residential customers meeting the above criteria unless the Company can demonstrate that targeting certain portions of its water service area is likely to yield the highest participation and/or potential water savings.
- 2. The fixtures or retrofit kit shall include detailed instructions for installing the retrofit fixtures.
- 3. The Company shall select appropriate communications channels to advertize the program.
- 4. The Company shall keep a record of the following information and make it available to the Commission upon request:
 - a. A description of the Residential Interior Retrofit Program including a description of the fixtures provided to customers and estimated water savings as a result of Program implementation.
 - b. The number of retrofit fixtures requested by customers and the number of fixtures provided.
 - c. Costs of the Residential Interior Retrofit Program.

ISSUED:

February 21, 2012

EFFECTIVE:

January 20, 2012

ISSUED BY:

Month Day Year

Month Day Year

Sheryl L. Hubbard, Director, Regulatory & Rates

(623) 445-2416 (Water Conservation Phone)

Paradise Valley Water District (Name of Service Area)

Customer High Water Use Inquiry Resolution Tariff - BMP 3.6

PURPOSE

A program for the Company to assist its customers with their high water-use inquiries and complaints (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services 3.6: Customer High Water Use Inquiry Resolution).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall handle high water use inquiries as calls are received.
- 2. Calls shall be taken by a customer service representative who has been trained on typical causes of high water consumption as well as leak detection procedures that customers can perform themselves.
- 3. Upon request by the customer or when the Company determines it is warranted, a trained Field Technician shall be sent to the customer's residence to verify consumption and conduct a leak detection inspection and further assist the customer with water conservation measures.
- 4. The Company shall follow up on every customer inquiry or compliant and keep a record of inquiries and follow-up activities. The Company shall make this information available to the Commission upon request.

ISSUED:

February 21, 2012

EFFECTIVE:

January 20, 2012

ISSUED BY:

Month Day Year No. Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year

(623) 445-2416 (Water Conservation Phone)

Paradise Valley Water District (Name of Service Area)

Customer High Water Use Notification Tariff – BMP 3.7

PURPOSE

A program for the Company to monitor and notify customers when water use seems to be abnormally high and provide information that could benefit those customers and promote water conservation (Modified Non-Per Capita Conservation Program BMP Category 3: Outreach Services Program 3.7: Customer High Water Use Notification).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. The Company shall track water usage for each customer and notify the customer if water use seems excessive for that particular billing for that time of the year.
- 2. The Company shall identify customers with high consumption, verify the high consumption, and investigate each instance to determine the possible cause.
- 3. The Company shall contact the high water use customers via telephone, email, by mail or in person. The Company shall contact the customer as soon as practical in order to minimize the possible loss of water. The customer will not be required to do anything to receive this notification.
- 4. In the notification the Company shall explain some of the most common water usage problems and common solutions and points of contact for dealing with the issues.
- 5. In the notification, the customer will be reminded of possible high water-consumption occurrences, such as:
 - a. Leaks, running toilets, or valves or flappers that need to be replaced.
 - b. Irrigation system valves or sprinkler heads which may be leaking.
 - c. Sprinklers that may be watering the house, sidewalk, or street, etc. increasing irrigation requirements.
 - d. Leaking pool or spas and possible leaks around pumps.
 - e. More people in the home than usual taking baths and showers.
 - f. Doing more loads of laundry than usual.
 - g. Doing a landscape project or starting a new lawn.
 - h. Washing vehicles more often than usual.

(Continued on Sheet No. 12h)

ISSUED:

February 21, 2012

EFFECTIVE:

January 20, 2012

Month Day Year

ISSUED BY:

Month Day Year
Sheryl L. Hubbard, Director, Regulatory & Rates

Original	SHEET	NO.	<u>12h</u> .
	SHEET	NO.	

(623) 445-2416 (Water Conservation Phone)

Paradise Valley Water District (Name of Service Area)

Customer High Water Use Notification Tariff – BMP 3.7 (Continued)

- 6. The Company shall offer water conservation information that could benefit the customer, such as, but not limited to, audit programs, publications, and rebate programs.
- 7. The Company shall assist the customer in determining what might be causing the high water usage as well as offer the customer information regarding water conservation and landscape watering guidelines. The Company shall confirm the accuracy of the customer meter if requested to do so by the customer (applicable meter testing fees shall apply).
- 8. The type of notification, the timing of the notification (i.e., how long after high water use was discovered by the Company), and the criteria used for determining which customers are notified shall be recorded. The Company shall make this information available to the Commission upon request.

ISSUED:

February 21, 2012

EFFECTIVE:

January 20, 2012

ISSUED BY:

Month Day Year

Month Day Year

Sheryl L. Hubbard, Director, Regulatory & Rates

(623) 445-2416 (Water Conservation Phone)

Paradise Valley Water District (Name of Service Area)

Meter Repair and/or Replacement Tariff - BMP 4.2

PURPOSE

A program for the Company to systematically assess all in-service water meters (including Company production meters) in its water service area to identify under-registering meters and to repair or replace them (Modified Non-Per Capita Conservation Program Best Management Practice Category 4: Physical System Evaluation and Improvement 4.2 Meter Repair and/or Replacement Program).

REQUIREMENTS

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission and were adapted from the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. On a systematic basis, the Company will replace all 2-inch and smaller in-service water meters at least once every fifteen years.
- 2. The Company will test all meters that have caused a meter reading complaint to be filed with the Arizona Corporation Commission.
- 3. Meters larger than 2-inch shall be tested for one of the following reasons:
 - a. A meter reading complaint is filed with the Company by a customer or Arizona Corporation Commission Staff,
 - b. A meter has been in service for five years.
- 4. The test will be accomplished by one of the following:
 - a. Having the meter pulled and having a Company Technician physically inspect each meter and its fittings for leaks, registers which may have become loose or are not properly attached to the meter and could be under-registering or other broken parts which need repair.
 - b. Utilizing equipment to verify that all electronic components are within manufacturer specifications and are operating properly.
- In addition, meters shall be randomly selected for flow testing utilizing a flow through detector testing meter.
- 6. All replacement water meters shall register in gallons:
 - a. All new 1-inch and smaller meters that are installed will register usage in 1 gallon increments,
 - b. All new 1-1/2-inch through 4-inch meters that are installed will register in 10 gallon increments, and
 - c. All new 6-inch and larger meters that are installed will register in 100 gallon increments.
- 7. The Company shall keep records on the number of meters that were replaced and make this information available to the Commission upon request.

ISSUED:

February 21, 2012

Month Day Year

EFFECTIVE:

January 20, 2012

Month Day Year

ISSUED BY:

Sheryl L. Hubbard, Director, Regulatory & Rates

(623) 445-2416 (Water Conservation Phone)

Paradise Valley Water District (Name of Service Area)

WATER SYSTEM TAMPERING TARIFF - BMP 5.2

PURPOSE

The purpose of this tariff is to promote the conservation of groundwater by enabling the Company to bring an action for damages or to enjoin any activity against a person who tampers with the water system.

REQUIREMENTS:

The requirements of this tariff are governed by Rules of the Arizona Corporation Commission, specifically Arizona Administrative Code ("AAC") R14-2-410 and the Arizona Department of Water Resources' Required Public Education Program and Best Management Practices in the Modified Non-Per Capita Conservation Program.

- 1. In support of the Company's water conservation goals, the Company may bring an action for damages or to enjoin any activity against a person who: (1) makes a connection or reconnection with property owned or used by the Company to provide utility service without the Company's authorization or consent; (2) prevents a Company meter or other device used to determine the charge for utility services from accurately performing its measuring function; (3) tampers with property owned or used by the Company; or (4) uses or receives the Company's services without the authorization or consent of the Company and knows or has reason to know of the unlawful diversion, tampering or connection. If the Company's action is successful, the Company may recover as damages three times the amount of actual damages.
- 2. Compliance with the provisions of this tariff will be a condition of service.
- 3. The Company shall make available to all its customers a complete copy of this tariff and AAC R14-2-410. The customers shall follow and abide by this tariff.
- 4. If a customer is connected to the Company water system and the Company discovers that the customer has taken any of the actions listed in No. 1 above, the Company may terminate service per AAC R14-2-410.
- 5. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

ISSUED:

February 21, 2012

EFFECTIVE:

January 20, 2012

ISSUED BY:

Month Day Year N Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year

CUSTOMER WATER CONSUMPTION INFORMATION SHARING WITH THE CITY OF PHOENIX, WASTEWATER PROVIDER

EPCOR Water Arizona, Inc. ("EWAZ" or "Company") is authorized to share water consumption information of individual customers with the City of Phoenix ("the City"), a municipal provider of wastewater service for common customers purchasing water from EWAZ and wastewater from the City. The purpose of this Tariff, and the authorized provision of customer water consumption information, is to assist the City in billing for wastewater utility services. City agrees that it is only authorized to use such water consumption information for purposes of wastewater services billing and is not authorized to disclose such information to any other party except as may be required by law.

EWAZ entered into an Agreement with the City for providing individual water consumption data, in a form materially similar to the standard form agreement. The Agreement was subject to Arizona Corporation Commission ("Commission") review as set forth in Section 6 of the agreement.

EWAZ shall notify all water utility customers affected by the agreement between the Company and the City pursuant to this Tariff, by means of a billing insert during the first billing cycle immediately after said tariff is approved.

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015

ISSUED BY:

Month Day Year
Sheryl L. Hubbard, Director, Regulatory & Rates

CUSTOMER WATER CONSUMPTION INFORMATION SHARING WITH THE CITY OF SCOTTSDALE, WASTEWATER PROVIDER

EPCOR Water Arizona, Inc. ("EWAZ" or "Company") is authorized to share water consumption information of individual customers with the City of Scottsdale ("the City"), a municipal provider of wastewater service for common customers purchasing water from EWAZ and wastewater from the City. The purpose of this Tariff, and the authorized provision of customer water consumption information, is to assist the City in billing for wastewater utility services. City agrees that it is only authorized to use such water consumption information for purposes of wastewater services billing and is not authorized to disclose such information to any other party except as may be required by law.

EWAZ entered into an Agreement with the City for providing individual water consumption data, in a form materially similar to the standard form agreement. The Agreement was subject to Arizona Corporation Commission ("Commission") review as set forth in Section 6 of the agreement.

EWAZ shall notify all water utility customers affected by the agreement between the Company and the City pursuant to this Tariff, by means of a billing insert during the first billing cycle immediately after said tariff is approved.

ISSUED:

September 15, 2015

EFFECTIVE:

September 1, 2015

ISSUED BY:

Month Day Year Month Sheryl L. Hubbard, Director, Regulatory & Rates

Month Day Year